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ABSTRACT

An international team of researchers studied the following aspects of training in Italy's motor vehicle repair and sales sector: structure and characteristics; institutional and social context; relationship to Italy's overall labor market; changing structural, economic, and organizational conditions; and training and recruitment and relationship to Italy's education system. Social and labor/employment statistics were analyzed, and case studies of an independent auto repair shop and four automobile distributors were conducted. Included in each case study were a profile of the company and analysis of its human resource development/training concepts and policies, and provisions for continuing vocational training. A distinct lack of initial vocational training required to produce workers capable of keeping pace with the rapid changes in the sector was noted. This deficiency was partly compensated for by courses provided by manufacturers and, to a lesser degree, related associations. The training currently offered by the companies studied was rated average to better than average. Employee training was being provided almost exclusively by manufacturers. A trend away from training only in traditional technical areas toward training in areas deemed useful for overall company management (including planning, marketing, and telemarketing) was noted. (Sixty tables/figures are included.) (MN)

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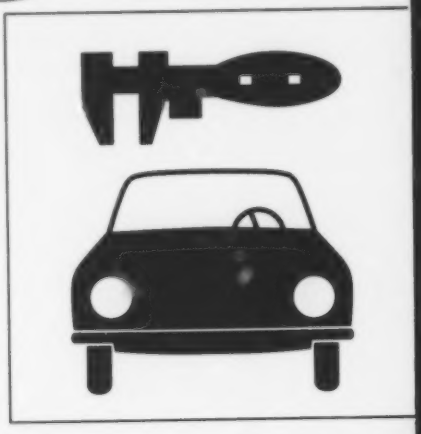
European Commission

ITALY
REPORT

MOTOR VEHICLE REPAIR AND SALES SECTOR



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MOTOR VEHICLE REPAIR AND SALES SECTOR

TRAINING IN THE MOTOR VEHICLE REPAIR AND SALES SECTOR IN ITALY

REPORT FOR THE FORCE PROGRAMME

drawn up by
Marco Volonta
Consorzio Sviluppo del'Elettronica e del'Automazione (CSEA)

1993

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FORCE

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Commission of the European Communities
TASK FORCE
Human Resources, Education, Training and Youth
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European Centre for the Development of Vocational Training
Jean Monnet House, Bundesallee 22, D-10717 Berlin

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with the participation of Skevos Papaioannou, INE – Greece

under the responsibility of Felix Rauner, ITB – Bremen and in close collaboration with Tina Bertzeletou, CEDEFOP.

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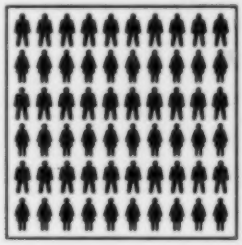
PART 1:

EMPLOYMENT, WORK AND TRAINING IN THE MOTOR VEHICLE REPAIR AND SALES SECTOR



1. Definition and limits of the sector
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3. Social and institutional context
4. Employment and work
5. Changing conditions (technological, electronic innovation etc.) and their implications for the level of qualifications required
6. Training
7. Appendices
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1. DEFINITION AND LIMITS OF THE SECTOR

In Italy the motor vehicle repair sector can be divided into the following areas:

- dealers,
- dealers with repair shops,
- repair shops authorized by the manufacturer,
- repair shops authorized by ACI (Automobile Club Italia),
- independent repair shops,
- second-hand car dealers with or without repair shop.

The main areas which can be grouped into various types of dealers and repair shops will be examined in greater detail in this and the following section.

There are no statistics on employment and types of business for dealers.

Dealers

In Italy motor vehicles are distributed by commercial networks, directly controlled by the manufacturers through their own dealers (mainly businesses but in some cases individuals) who purchase vehicles from the manufacturer and sell them to the customer.

Apart from the dealers, other people are also involved in motor vehicle sales, i.e. agents, subagents, business intermediaries or simply people who identify potential customers.

Tables 1 and 2 demonstrate the importance of the vehicle sector in Italy:

- turnover amounts to some 2.4% of the GDP and 7.7% of industrial production.

Estimates show that in Italy the motor vehicle sector directly employs 220,000 people (including employment originating from ancillary supplies) and approx. 1,780,000 people indirectly (employment related to vehicle sales and use).

In 1973 there were 1,324 dealers in Italy selling foreign vehicles compared with 1,102 dealers selling Italian vehicles.

In the same year dealers of foreign vehicles sold, on average, 255 vehicles each compared to 910 by dealers selling Italian makes.

In 1980 1,341 dealers in Italian makes of vehicles sold, on average, 769 vehicles each compared to 1,714 dealers of foreign makes who, on average, sold 371 vehicles each.

In 1986 the number of dealers selling Italian makes exceeded that of foreign dealers: there were 1,636 dealers selling Italian makes compared with 1,624 selling foreign vehicles.

At the same time, there was a drop in the average number of sales of Italian motor vehicles in favour of the foreign makes. This can be attributed to the increasing number of dealers selling Italian vehicles and also to increased demand on the domestic market for foreign vehicles.

Table 3 shows that the market share of foreign manufacturers in 1973 was 25.2% increasing to 32.8% in 1980 and levelling out at some 34% in 1986/1988.

This slight recovery by Italian manufacturers after 1980 may be attributed to the popularity of certain vehicles with the Italian consumer, for instance the Fiat "UNO". However, from 1988 onwards there has been a significant recovery on the national market of foreign manufacturers.

In this context Table 4 is significant. The strong upswing of foreign manufacturers is evident (47.1% of sales in 1990). In the course of 1991, for the first time foreign manufacturers sold more vehicles overall than national manufacturers, satisfying 53.2% of overall demand. This corresponds to a total of 1,246,096 vehicles compared with 1,094,620 sold by national manufacturers.

Other data on motor vehicle sales are given in the following Tables up to no. 10.

It should be stressed that today a small but significant share of the market is in the hands of the Japanese manufacturers. It is no coincidence that the Japanese have moved from a percentage of vehicles sold equivalent to 1.9% in 1990 to a share of 2.6% in 1991, in spite of quota restrictions hampering imports of Japanese vehicles into Italy.

The latest available data regarding motor vehicle sales confirms the expected downward trend on the car market in 1992 (see Table 10).

The businesses operating in the sector have, in fact, signalled the end of the favourable trend. This sign of crisis is linked, although not exclusively, to the current stringent economic policy in Italy which will influence market development.

The latest figures highlight the crisis at the beginning of 1993 with an average drop of 14% in sales in Italy, coupled with a European situation which would appear to be even more disastrous.

Preluding economic recovery, 1993 would seem to paint a sad picture.

Motor vehicle repairs

Motor vehicle repairs are currently being carried out by the following types of business:

- dealers who, alongside their own activity, guarantee customers adequate technical assistance both during the vehicle's warranty period and afterwards;

- repair shops authorized by the manufacturer.

Such authorization is recognition of the professional abilities and is conferred upon the motor vehicle repair mechanic by the manufacturer. It also entitles him to perform repair and maintenance work on new vehicles during the warranty period and to charge the full cost of repairs to the manufacturer.

- repair shops authorized by ACI (Automobile Club Italia)
- independent repair shops.

Here there is no link with the manufacturer or other specific associations. Rather than specializing in a particular make of vehicle, they offer services on the market as a repair service capable of dealing with any type of vehicle.

A precise assessment of the motor vehicle repair sector in Italy is extremely difficult.

The few statistics available do, however, permit a number of reliable conclusions to be drawn.

From an analysis carried out by ANIA (Association of Insurance Companies) in 1987, the turnover of the repair trade was estimated to be between 10 and 16 billion lire.

It would seem realistic, currently, to estimate turnover at some 20 billion lire per year considering the rise in costs in this period due to increased running costs and inflation.

The only available source of information is the survey carried out by ISTAT (Central Statistics Office) in 1981.

The ISTAT classification contains a single category known as "motor vehicle and cycle repairs" divided into three classes with distinct activities:

"vehicle repair", "vehicle bodywork repair" and "motor bicycle and bicycle repair".

Motor vehicle repair

The most recent data available for companies in the motor vehicle sector are contained in a survey carried out by the research company Promotec (see Table 11) in 1990 using the register of companies of the Chamber of Commerce and, more recently, by the Ministry for Finance.

The general category, motor vehicle repairs, is made up of some 90,000 local operators, the majority of whom are small businesses. It encompasses the following activities: mechanical repair shops (including those carrying out this work as a secondary activity), engine reconditioners, electricians, bodywork specialists, tyre repairers, car repair shops and dealers (those with a repair shop attached to the business).

To evaluate the demand in the motor vehicle repair sector, reference must be made to the main indicator, i.e. the number of vehicles on the road and their composition.

From a survey carried out in 1984 (see Table 12) 92.1% of the vehicles currently on the road are cars and 7.9% industrial vehicles.

With reference to 1984 (more recent data is not available) Table 13 shows the number of cars in circulation per inhabitant. In 1984 there were 366 cars per 1,000 inhabitants. Estimates for 1990 show 435 vehicles per 1,000 inhabitants.

Another important piece of information meriting evaluation is the age of vehicles. Table 14 highlights that in 1990 there were some 25,200,000 vehicles on the road in Italy.

When we consider that in recent years 2,300,000 vehicles were registered for the first time each year, then only a quarter of the total vehicle fleet has gone on the road in the past three years.

In 1984, 36% of vehicles were more than 10 years old.

This information will not be significantly different today, it is an important indicator for the type and degree of demand for vehicle repairs.

From the 1981 survey, it was evident that 9% of vehicles were owned by companies and 91% were privately owned. In northern Italy 19 out of 100 families owned at least two cars.

In conclusion, it can be highlighted how, in Italy, in addition to comparatively new vehicles (approximately one-third) that require more servicing than actual repair work, there are also a number of vehicles registered for many years with mechanical systems that require real repair work.

There is a need for a repair service based on electronics and on integrated type components requiring use of sophisticated equipment in order to correctly diagnose the defect before carrying out repair work. There is also a need for traditional work in which the practical skills and experience of the mechanic in identifying the mechanical part needing repair is more important than the equipment used.

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2. STRUCTURE AND CHARACTERISTICS OF THE SECTOR

Structure and brief history of the dealers

In Italy the distribution network, composed of dealers of the various makes of vehicles, has developed and grown in line with trends in the market and strategies of the manufacturers.

Following the creation of the Common Market and progressive abolition of customs barriers from 1961 to 1968, Italy witnessed a sharp increase in dealers in foreign makes. The first Italian manufacturer (Fiat) attempted to maintain its position in the dealer network despite an increase in registrations (from slightly less than 1/2 million in 1961 to 1.5 million in 1973, a growth of 300%). Evidently Fiat wanted to consolidate its own dealers because it was convinced that with a solid economic structure it would be able to exploit economies of scale both in terms of the administrative apparatus and management of technical equipment. This would place it in a better position on the market.

From 1970 to 1980 the vehicle market continued to expand while competition from foreign manufacturers was less significant.

Consequently Italian manufacturers, operating a virtual monopoly, were able to maintain a policy aimed at guaranteeing their presence or favouring establishment of dealers in main towns only.

In the following years, the market moved from aiming to supply every family with a car (first supply phase) to a phase which saw virtually all families with this means of transport. At the same time, foreign manufacturers were making greater in-roads on the Italian market and competition, both in terms of quality and price, for foreign vehicles was growing. Since coming on to the market, foreign manufacturers have encouraged their dealers to guarantee their customers high-quality technical assistance. This type of organization, capable of undertaking vehicle repairs, was stressed in advertising campaigns and enabled them to secure a footing on the market.

Faced with an increasingly less receptive market and a greater presence of foreign manufacturers, Italian manufacturers, in particular Fiat, increased the number of dealers in order to create a capillary network throughout the country.

The shift from the dealer system, guaranteeing a wide customer band, to a capillary system that consequently reduced their influence and relative turnover, has created strong competition between dealers, even those serving the same manufacturer.

Meanwhile, we have witnessed the transformation from a market supplying first vehicles to all families and characterised by a demand for new vehicles, to a market where the second-hand vehicle was replaced with a new vehicle and the old one was consequently taken in part exchange.

Little by little, dealers frequently found themselves having to manage a large second-hand car fleet as well as a new one. This tied-up capital led to a subsequent increase in costs for the dealer, already hit by rising administrative, fiscal and related costs as well as advertising costs (in order to beat the competition).

Lower income and the increase in costs forced dealers to follow the example set by foreign manufacturers and to start offering secondary services, maintenance and repair activity for both new vehicles, covered by warranties, and second-hand vehicles, parallel to their main commercial activity.

This change has been encouraged by Italian manufacturers who, for the first time, have been urging their dealers to offer this type of service directly to the customer and not only indirectly through authorized repair shops.

In the course of this change, the relationship between the two parties (the dealer and the manufacturer) has also changed.

Initially dealer contracts did not exist. Instead there were commission contracts (commission agencies).

There is a great difference as the dealers did not purchase the vehicles from the manufacturers; they sold them on behalf of the manufacturer having bought them at a lower price. The difference between the purchase price and the selling price was the profit or commission for the commission agency.

During this time the dealers of foreign manufacturers had higher costs. As the manufacturer did not have a branch in the country he had to provide an after-sales service for the customer.

During the 1960s and 1970s, Italian manufacturers, in particular Fiat, moved away from the commission contract to the dealer contract and, at the same time, there was an increase in the network of repair shops attached to dealers.

The near future

As stressed above strong competition in this sector prompted the manufacturers and their dealers to develop increasingly targeted presentation strategies for their products.

With progress towards European union, competition will become stiffer in the near future.

The opening of borders and the creation of a Single European Market will lead to the disman-

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tling of all customs barriers and to a free exchange of goods.

The main reference market for manufacturers will no longer be the national but the European Community market.

To date, Italian manufacturers have been endeavouring to organize their dealers in order to face this new market.

This they did by attempting to:

- restrict the number of dealers (without intervening directly to reduce them). When a dealer resigns he is not always replaced and his business area is assigned to existing dealers;
- consolidate dealers by widening their territory and improving information, training and services.

A similar policy has also been introduced for the authorized repair shops.

The policy operated by foreign manufacturers is not very different. They tend to supplement and reinforce their network within the dealer territory, guaranteeing them maximum possible assistance.

Dealers and the second-hand car market

Statistics on the annual turnover of dealers are not available at present.

In 1991, 2,340,716 new vehicles were registered and 740,300 second-hand vehicles were sold. Assuming that the average cost of a new vehicle is approx. 10 million lire and that of a second-hand vehicle 5 million lire, annual turnover would amount to some 23,400 billion lire for the new car market and 3,700 billion lire for the second-hand car market.

The economic importance of this market is evident without even considering the market for light vehicles, trucks, buses, trailers and semi-trailers (due to the complete lack of sales data).

Structure and brief history of the vehicle repair market

The turning point in the development of the vehicle repair network in Italy was the 1960s when Fiat underwent major automation.

Some of the structural weaknesses of this sector can be identified (at least for the independent repair shops), i.e. those not able to utilize the information and training offered by the manufacturer.

The vehicle repair network was set up following the automation of Fiat when there were few vehicles on the market, when there was little innovation and foreign competitors were not bringing different models and technologies on to the market.

At that time, a typical repair shop was small, comprising the owner and staff, often with a low level of schooling. Fixed capital investment was often very low.

Often the owner, together with a skilled worker and apprentice, had been trained within the industry or the component sector, and had not, therefore, undergone any specific training programme or structured skills upgrading except for the short training courses provided by the individual component suppliers.

In the decades to follow, the increased complexity of the engine, the introduction of a differentiated range of models and makes, foreign competition, the acceleration in technological innovation, the widespread introduction of the computer, electronic and automation systems and, more recently, the adoption of systems on the standard range vehicles which in the past had been optional and, therefore, limited to the higher range of vehicles, have radically changed the requirements and conditions of the repair shop. This has forced the repair shop to widen its basic knowledge very quickly and has increased the need for frequent and systematic skills upgrading.

Faced with these changes, the network of Italian repair shops has responded in a variety of ways:

- the repair shops attached to a dealer and authorized repair shops have been able to exploit information on new products and/or components and the continuing training schemes offered by the manufacturer which are generally of a high standard.
- this has not been the case for independent repair shops many of which, in southern Italy, still suffer from endemic constraints (extremely small in size, with an average of 2–2.5 employees per company, a lack of information on new products and components and little or no access to structured continuing training systems and unsuitable equipment).
- it should be noted that all types of repair shop offer assistance for any type of vehicle as there are no restrictions on accepting vehicles of any particular make.

(In addition to the mechanical repair shops, specializations have emerged for various types of technology such as bodywork, carburettor, tyres, electrics, etc.).

The dealer and authorized repair shops have an advantage over the independent ones as they may work on vehicles under warranty for the manu-

facturer that they represent as well as being recommended to customers by the manufacturer. Such recognition testifies to their professionalism, technical skills and equipment.

Similarly, the repair shops authorized by ACI have an advantage over others on account of advertising policy as they are officially notified to members of the association as authorized assistance points.

Between 1981 and 1990 a large number of businesses, in all likelihood small family businesses, closed as they were unable to bear the increasing financial burden and not able to develop the required economies of scale.

Due to the lack of precise data, it is difficult to make a detailed estimate of this phenomenon.

Based on what has already been stated with regard to the history and structure of the motor vehicle sector and following market evaluation, it can be stated that companies still operating have been reinforced structurally through the purchase of technical equipment and both qualitatively and quantitatively with regard to the workforce.

This is certainly the case in repair shops managed by dealers, who have over the past decade implemented an economic policy aimed at providing better and broader technical assistance.

The near future

Future trends would seem to favour the creation of repair shops capable not only of repairing faults but of preventing them with a versatile workforce able to work on the vehicle as a whole and not only specific areas.

The car of today is more reliable and less susceptible to breakdown.

The car in today's society is regarded less as a product and more as a service.

It has been transformed from a luxury or superfluous good, used mainly in leisure time, to a real working tool and an indispensable means of transport. This has evoked in the user the need to be able to rely on this increasingly efficient means of transport.

From this point of view, new technologies (electronics, new materials, modern paints) are producing a vehicle which will need even less repair work.

This has made preventative maintenance more important than ever with vehicle repairs becoming relatively unimportant.

In the past a mechanical fault was usually detected in sufficient time to have it repaired, whereas today any type of electronic fault will block the vehicle completely.

This makes the demand for preventative maintenance even greater. Bearing in mind that the technology in new cars is largely electronic, it can be assumed that the traditional repair shops, specialized in single technologies, are outdated.

It is evident that today's car repair shop must be highly specialized.

Fault diagnosis, repair work and quality assurance is no longer carried out by traditional procedures but by very sophisticated instrumentation. In a modern repair shop, alongside the traditional tools needed to repair mechanical faults, new equipment such as brake-testing benches, exhaust-fume analyzers, clearance-test benches, econometers, rev. counters, are becoming indispensable.

In these repair shops, in addition to parts replacement, work also involves reducing exhaust emission levels and noise, both of which must fall within the legal limits aimed at preventing noise and air pollution (knowledge of catalyst and ecofit systems).

Today's safety requirements dictate the use of sophisticated electronic devices for checking brakes, steering and suspension and ensuring that these satisfy the legal requirements.

The future will probably see the creation of structures enabling work in the integrated repair of the whole car system. This will only be possible where there are modern, multi-process repair shops able to provide sophisticated diagnostic services, to ensure proper use of equipment and high-quality manual work in the correct fitting of spare parts.

In this type of repair shop, skills and capabilities found today in a variety of specializations will be restructured and knowledge of electronics will be linked to that of traditional mechanical skills.

Traditional repair shop skills will not be redundant. They will be reorganized and enriched with new knowledge of electronics which is becoming evermore prevalent in modern diagnostics and car components.

These developments are currently taking place in repair shops attached to dealers and in authorized repair shops.

Such repair shops have an average number of employees and ample diagnostic equipment covering a wide range of specializations. They have a sufficient number of customers to offset the high running and purchasing costs of such equipment.

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This is not the case in independent repair shops.

In the latter, structural weaknesses are still evident (fragmentation, lack of equipment, out-dated skills) even in the face of a changing market which calls for a new type of repair shop.

The next few years will probably see significant restructuring with a decrease in the number of local repair shops and an increase in professional capabilities, quality and technical equipment.

The following factors will contribute to this:

- for the car:
  new legislation on cars (more frequent and stringent MOTs) will considerably reduce the average age of vehicles on the road and consequently the need for repair;

  technical innovation in the engine, electronics, materials and paintwork, will lengthen the car's life and reduce repair needs.

- for the repair shop:
  a growing need for sophisticated diagnostic equipment;

  a growing need for information, continuing training and a high standard of skills upgrading;

  new, more restrictive, and far-reaching laws on environmental and safety issues (repair shop standards, waste disposal, etc.).

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3. SOCIAL AND INSTITUTIONAL CONTEXT

Legislative aspects
Legislation affecting dealers

The dealer's main activity is the sale of vehicles and this is covered by commercial legislation.

The main law governing this sector is Law 426 of 11 June 1971.

Two main laws make provision for public intervention in commerce.

The first governs the occupational qualification of commercial operators.

Owners, partners and employees entitled to sell must be registered with the REC (Registro degli esercenti il commercio).

To qualify for registration one must satisfy at least one of the following conditions:

- have passed the Chamber of Commerce Commission examination on general aspects (fiscal, law, etc.) and, more specifically, on the products they intend to sell;
- either be in possession of a high school diploma, have attended a recognized vocational training course or have graduated from higher education, provided that the subjects covered are relevant to the activity;
- have been active in sales in that particular sector for at least two years as an employee, partner in a family run activity or a partner with administrative duties.

The second law covers the need for local authority permission to operate a business.

Restraints aim to ensure that a balanced commercial network is created throughout the country.

The Law of 1971, following many legislative and administrative modifications, was supplemented by Law No. 375 of 1988 and is the only regulation governing the exercise of commercial activity. It contains the provisions on practical procedure and conditions for setting up a commercial company. It also stipulates:

- the business must be located in an area designated for commercial activity in the urban development plan;
- the business must be conducted in premises with suitable hygiene and structural standards.

The mayor of the borough legislates on business hours (opening not later than 09.00 and closing not later than 20.00). Businesses must remain closed on Sundays and public holidays and for one half day during the working week.

The relations between a dealer and a manufacturer are not subject to specific laws but to a commercial agreement drawn up between the two parties.

The relations between dealers, agents and other bodies operating in the commercial sector are governed by civil law.

A Council Regulation (ref. EEC 123/85) on motor vehicle sales regulates competition, protects weaker parties (the dealers), regulates prices and gives official recognition to dealers and their associations as businesses on the same level as customers and manufacturers.

Finally, National Law No. 122 of 5 February 1992 draws up registers of companies in this sector and, in regard to dealers, a national list kept on a regional basis by the Chambers of Commerce, Industry, Crafts tradesmen and Agriculture (CCIAA).

The law is described in greater detail in the following section on car repair shops.

Legislation on car repair shops
Prior to 1992, there was no legislation restricting car repair businesses.

Law No. 122 of 5 February 1992 came into force on 5 March 1992.

This law governs car repair activities in order to protect customers, guarantee road safety, protect and safeguard companies that satisfy the requirements.

The law states that "all replacement, modification and repair work for any component, or part, of vehicles and engine-powered vehicle assemblies come under the car repair activity, as well as the installation of systems and fixed components on vehicles and engine-powered vehicle assemblies". It also states that the term "vehicles" includes motorcycles, agricultural machinery, trailers and trolleys, for the transportation of goods and people on public highways.

The following activities are included "car washes, petrol stations, replacement of air filters, lubricating oil filters and other lubricants and coolants".

By September 1992 each Chamber of Commerce had to draw up a single register for all repair shops. This register is divided into four sections: engine mechanics, electrical repairs, bodywork and tyres.

Companies may only exercise the activities for which they are registered except where work complements the main activities. In this instance it is permissible to carry out work not strictly within the range of competence.

To be registered, new companies must provide documentation testifying that they fulfil three requirements:

- availability of space and suitable premises with the relevant administrative approval;
- equipment and tools necessary for the activity in line with the tables approved and drawn up by the Ministry for Transport;
- a technical supervisor with specific professional and personal capabilities.

The technical supervisor must fulfil one of the following conditions:

- have worked as a qualified mechanic for at least 3 years in a company in the sector during the preceding 5 years. This period is reduced to 1 year if the person concerned has an academic or occupational qualification;
- have attended a regional course followed by 1 year of work as a qualified mechanic;
- possess a secondary school diploma or certificate in a relevant subject.

Companies whose main activity is the sale of vehicles may also exercise secondary activities. In this instance such companies must be registered in a special list forming part of the Car Repair Register. Such secondary activities on the part of car retailers are permissible if the activity aims to improve the quality of the main activity and is not an end in itself.

In this case a technical supervisor can be named who is not in possession of the necessary occupational qualifications if he is the owner, partner or a relative participating in the company or an employee who has worked for the company for at least 3 years out of the last 5.

By March 1995 these companies will have to provide evidence that they have the necessary space, premises and technical equipment at their disposal.

Penalties are planned for those businesses exercising an activity incorrectly, for those businesses carrying out work beyond their competence, as well as for users who carry out the work covered by this law or who make use of the services of unauthorized businesses.

All the companies in the sector bear legal responsibility for the work they carry out. On the basis of a subsequent decree by the Ministry of Transport, all business operators must issue certificates guaranteeing the quality of the work provided.

This regulation will oblige car repair businesses to carry out the work correctly and provide the customer with a quality guarantee.

The law states that the periodic inspection of vehicles (MOT) may be carried out by private repair shops as well as by government agencies.

The Ministry can, on the basis of its decree, entrust inspection activities (MOTs) to registered companies possessing the necessary equipment for a period of 5 years. This is to be defined in a decree to be issued by the Ministry.

Licences granted to private repair shops at present are limited to vehicles with an engine size less than 3,500 cc. The repair shops are subject to periodic checks by the general management of the MCTC which has the power to revoke licences and impose fines if essential equipment is found to be missing or if the technical inspections (MOTs) have not been carried out satisfactorily. The Ministry of Transport fixes the charges for these inspection operations carried out by public centres or private repair shops. The latter must send the MOT certificate to the MCTC offices so that it can be entered in the log book.

The role of the social partners

The social partners operating in the sector are described below (employer organizations, workers' unions, sectoral associations), as well as the nature of the relationships between them.

Dealer entrepreneurial associations

Car dealers belonging to the commercial sector.

The organizations representing, on a national level, the companies belonging to the commercial sector are:

Confcommercio – Confederazione Generale Italiana del Commercio del Turismo e dei Servizo (General Italian Confederation for Commerce, Tourism and Services);
Confesercenti – Confederazione Italiana Esercenti Attività Commerciali e dei Servizi (Italian Confederation for Commerce and Services).

These associations are to be found throughout the country in regional offices that, as well as carrying out trade union-type activities to promote qualifications in the sector, also offer the services to companies in areas such as tax consultancy, accounting, and short-term training courses.
Both associations plan and organize training activities through national organizations on a regional basis:

Cescot for Confesercenti;
Forter for Confcommercio.

For the car dealer sector these activities focus mainly on sales (courses for sales assistants and the commercial network).

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Car repair entrepreneurial organizations

The organizations representing companies belonging to the car repair sector, all of which belong to the craft trade sector, are the following:

- CNA – Confederazione Nazionale dell'Artigianato e delle Piccole Imprese (National Confederation for Trades and Small Companies)
- Confartigianato – Confederazione Generale Artigianato (General Trades Confederation)
- CASA – Confederazione Autonoma Sindacati Artigiani, – Confederazione Libere Associazioni Artigiani (Autonomous Trade Union Trades Confederation, – Free Confederation of Trades Associations).

As in the case of the organizations representing the commercial sector, functions include protecting and representing the sector and their associates and in affirming the economic, political and ethical values of the company and, in particular, (as stated in the statutes of one of these associations) "of economic democracy and entrepreneurial skills, promoting the direct and autonomous participation of the craftsman and small companies in the choice of economic and social policies in the sector".

These associations also operate throughout the whole country with offices at provincial and area level and offer union-type assistance and representation for the whole sector. They offer tangible services to the companies similar to those offered by the associations in the commercial sector.

Some of the craftsman confederations have their own organizations devoted to vocational training activities (specific courses on a variety of topics, proposed by the entrepreneur and partners, including employees, on managerial, administrative and technical subjects).

• The CNA has a body of its own known as ECIPA – Ente Confederale Istruzione Professionale Artigiana (Confederate Institute for Trades Training) that operates at regional and provincial level in the company training sector.

• Although the Confartigianato does not have a national organization it promotes initiatives in the various regions – companies or groups of companies for vocational training which already exist in many regions such as Lombardy, Piedmont (ERFA), Emilia (IRFA), etc.

These organizations play an important role in representing their sector when negotiating work contracts with employee organizations.

Recently an agreement has been signed between the craft trade organizations, committing them to coordinated action in all matters of interest to the sectors such as economics, tax and social policy. Under this agreement a single coordination committee has been set up in which all organizations participate.

With regard to training, craft trade organizations have recently signed an Interconfederation Agreement (January 1993) with the union counterpart which deals specifically with continuing training. A copy of this document is attached.

Other employer organizations such as Confindustria and Confapi represent and protect industrial companies.

Other company associations within the sector

There are a number of other national organizations in the sector which, rather than dealing with trade union relations or the protection of company interests, represent the various types of businesses nationally – motor vehicle manufacturers, foreign car importers, dealers linked to Italian manufacturers – and their common interests, particularly with regard to legal aspects.

Three of the most important of these organizations are:

Federaipca, representing Italian car dealers;
Unirae, for car importers (representatives of foreign manufacturers);
Anfia, the car manufacturers' association.

Employee union organizations

The union organizations existing on a national level are:

- CGIL – Confederazione Generale Italiana del Lavoro (General Italian Confederation of Labour);
- CISL – Confederazione Italiana Sindacati Liberi (Italian Confederation of Free Trade Unions);
- UIL – Unione Italiana del Lavoro (Italian Labour Union).

These organizations operate throughout the country at regional, provincial, area and company level, providing assistance at these levels.

They protect the dealer's employees through their national unions for the commercial sector (FILCAMS-CGIL, FISASCAT-CISL and UILTUCS-UIL) and for the repair shop sector through the national unions for the metal processing and mechanical sector (FIO-CGIL, FIM-CISL, UILM-UIL).

With regard to continuing training for dealers, the National Contract for the tertiary and services sectors of 14.12.90 currently in force is of importance as it contains the EEC Memorandum between the social partners (Eurofiat and CECD) dated 1988. Originally only applicable to work-

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ers in the retail sector it has since been extended to the whole of the commercial sector.

Bilateral companies are an example of the possible collaboration between the social partners for vocational training.

Recent contract laws between the social partners have laid down the aims and procedures for collaboration in the services field and for vocational training, jointly controlled by the associations representing the employers and the employees.

This facilitates analysis of training needs, training planning and, in agreement with the training agencies or vocational training centres and respecting the training laws regulating training (the responsibility of the regions), provision for training.

This is innovative as regards relations between the social partners in Italy. Joint companies currently exist on national level between the Confcommercio and the workers' organizations CGIL-CISL and UIL, as well as the workers' organizations and craftsman's organizations, Confapi – Associazone Imprenditoriale della Piccola e Media Impresa (Employers' Association of Small and Medium-sized Companies) and Confindustria.

Apparently these are the only organizations offering training in the car sector.

Union relations

Having presented and described the parties involved in the social dialogue it is interesting to view how this is organized from the trade union perspective.

Union participation is guaranteed in negotiations and in the signing of the CCNL (the national collective bargaining agreement) and through negotiation at a number of levels on economic and legal issues, such as safety, health and worker training.

The unions also assist and protect workers with regard to health, social security, taxation and pension issues.

Collective bargaining structures also exist at regional and local level (at provincial level for car repairers and at company level for dealers).

With regard to dealers, in the past inter-company contracts were signed on a national level but these were not followed up.

Collective bargaining takes place generally at national and company level (the latter with greater and lesser degrees of autonomy in relation to national agreements depending on the manufacturer's stance).

CGIL-CISL and UIL union representatives are to be found throughout the dealer network (RSA) and collective bargaining reflects agreement reached on a national level.

For repair shops, the Interconfederation Agreement of 1988, which is still in force, establishes agreed representation "di bacino" (usually corresponding to the provinces) and this is where real bargaining power is to be found; there is no provision for company trade union representatives.

The company landscape is too fragmented and companies too small to permit widespread union representation or an expedient bargaining procedure.

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4. EMPLOYMENT AND WORK

Employment opportunities in the dealer sector

There is no available statistical data for the sector to permit accurate classification of companies by type (according to the number of employees, the division between technical and administrative employees, age, scholastic level, type of employment and vocational training, sex, etc.).

Employment opportunities in the car repair sector

The survey produced data on the number of people employed by car repair companies in general and the number employed in local repair shops and units where the activity is carried out.

The survey shows that some 10,000 more are employed in this sector than figures for company levels would indicate. This means that a significant number of companies carrying out repair work do so as a secondary activity. It should be stressed that, in the case of craft tradesmen car repairers, company and local units are almost identical. It could be assumed in 1981 that companies offering car repair services as a secondary activity were car dealers.

This would indicate that, in carrying out a more exhaustive analysis, reference should be made to local repair units.

Table 15 of the survey shows that there were some 107,000 local repair units specialized in the repair of vehicles and bicycles in general, with a total of 264,000 employees (2.5 employees per local unit).

In Table 16 data from Table 15 is subdivided into areas of specialization and the average number of employees per local unit.

Disregarding the cycle and motorcycle repair sector, of no interest to us, it is interesting to note that the car repair sector in general is composed of some 90,000 local units with an average of 2.58 employees per repair shop. This testifies to the fragmented nature of the sector.

Of these units 31,300 operated in the bodywork sector (32.8%), employing 81,000, whilst 65,700 units operated as car repair shops (67.7%), employing 170,000. Of the latter, it is estimated that 13,000 were employed in repairing tyres in some 5,000 repair shops or local units (see Day of Study – The car and the future of car repairs – C.N.A. Emilia Romagna, p. 46, Dr. F. Iano).

In Table 17 the total number of local units operating in vehicle repairs in the strictest sense of the word (including car repair companies in general, excluding cycles and motorcycles but including bodywork) were subdivided by number of employees. 40% of the repair shops operated with no more than 2 employees whilst 30% had 5 or more employees.

The car repair sector, in the strictest sense of the word, employs 150,000 workers.

For further elements of analysis, the survey carried out by the Tuscany region in 1987 is significant, with a sample of 129 companies situated throughout the whole region, it is considered to be sufficiently representative for the whole country.

Of these companies, 31.2% employed 1–2 workers, 46.1% employed 3–5 workers and 22.7% 6 or more workers.

45.8% of these companies were run by their owner or by partners. 39.3% had employees, whilst the percentage of apprentices employed did not exceed 9.4% (see Table 18).

The level of academic achievement was modest; 36% of owners had a school-leaving certificate while 52% had only completed primary school and in the specialized repair shops, only 12% of owners had school-leaving certificates (see Table 19).
Of the companies considered, 4 out of 5 owners (80%) had served apprenticeships with companies in the sector (see Table 20).

Only in companies with particular specializations are there a significant number of owners who had gained experience outside the sector.

The owner's only training model has been in companies within the sector.

The academic achievement of employees was also low; the majority of employees commenced work upon completing compulsory schooling. 15.1% of employees only had a primary school-leaving certificate whilst 78.5% had completed the lower secondary level (see Tables 21 and 22).

The number of workers with secondary school-leaving certificates was insignificant.

The statistical breakdown of the type of worker employed in the sector is particularly interesting: 36.3% of the workers have special skills, 35% are skilled workers and 28.7% are unskilled (see Table 23).

From this it is evident that employees in this sector have a high level of qualification.

Analysis of the data on the level of schooling of employees and the age at which they take up work shows that their skills have been gained through experience in the companies and not through training.

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1.

Occupational trends in the two sectors
In the absence of reliable data it can be assumed that the employment situation in the dealer sector is stable, even though in recent months there has been a downward trend in the demand for cars.

In the near future the car repair sector will probably feel the effects of the tendencies mentioned in 2.2.

Employment in the social groups at risk
Social groups considered at risk are those whose employment is obligatory in accordance with current national law and refers in particular to invalids and the handicapped.

It is believed that in the sector (dealers and car repair shops), risk groups are catered for in line with national provisions. This is particularly true for dealers, as repair shops which employ on average 2.4 employees are not subject to these restrictions nor obliged to employee risk groups.

There is no legal provision for other risk groups such as migrant or foreign workers.

Their presence in companies in the sector is insignificant.

The need for continuing training in the two sectors
The need for training within dealerships

Italian and European manufacturers will become increasingly opposed to the continuing expansion of the Japanese market. The future car dealer will have to be more than a good car salesperson; he will need to be a professional capable of making company decisions.

He must be able to implement, throughout his territory, the advertising or marketing strategies adopted by the manufacturer and implement his own forms of advertising. Additionally, he must be in a position to comprehend product requirements and to pass feed-back on to the manufacturer.

The future dealer must be familiar with the market in which he is operating and offer products responding to customer needs both in terms of sophistication, economy and convenience (financial consultancy) as well as after-sales support and advice.

The salesperson will require a broad knowledge base, know-how in order to analyze the market and develop marketing strategies, a precise technical understanding to present the product, assessing new technical solutions for guaranteeing increased safety, comfort, extended vehicle life, lower fuel consumption and maintenance costs and environmental friendliness.

Current training offered by manufacturers is of good quality. This will be further improved and underpinned by legislation at national level.

In this instance, dealers' greatest needs for continuing training would seem to be the following:

1. company administration and management (to reinforce and consolidate existing networks);

2. customer relations (transition from the chance customer-salesperson relationship to the long-lasting consultancy type relationship based on trust before, during and after purchase):

   behaviourial type courses
   problem analysis and problem solving;

3. marketing and sales techniques (effective demonstration of the innovative qualities of the product).

The need for continuing training in the car repair sector
It is no exaggeration that the future car repair company will be increasingly complex to manage. There is a trend towards reduced dimensions but companies must be of sufficient size to work in an integrated way on the whole vehicle to guarantee efficiency and high-quality service.

Family-run repair shops are currently over-burdened by excessive management costs and show structural weaknesses. They appear unlikely to modify their company structure in the near future. Companies, consortia and cooperatives may be set up to guarantee versatility for the customer and to purchase and share the complex equipment required.

The tendency is towards consolidation and integration in terms of both dimensions and skills.

Companies' main training needs are in management and, in particular, analysis and control of company expenses.

In specialized sectors, such as the electrical car repair sector, the new construction technologies, the use of electronic components and parts and the need for more sophisticated, computerized diagnostic equipment forces the company to update continuously. At present the manufacturer satisfies training needs with regard to construction technologies. This method is beneficial to dealers and authorized repair shops while independent repair shops have great difficulty in getting access to this type of documentation. Equipment manufacturers supply all the necessary documentation to ensure that equipment is used correctly. Equipment manufacturers, however, do not seem to provide training upon acquisition of the equipment.

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Law No. 122/92 will require all companies to be equipped with modern diagnostic technology if they wish to gain authorization to carry out car inspections (MOTs) and if they wish to remain competitive.

This law will also compel companies to guarantee the work they have carried out. This increases the responsibility of the car repairer who will need to become more professional.

Clearly there will be both a demand and a need for continuing training.

Training needs at present focus on the following areas:

- company management, accountancy, cost analysis and control
- electronics, in particular, for:
  diagnostics
  mechanics
  monitoring systems and vehicle inspection (ABS, central locking, etc.)
- new materials (bodywork, paint, special treatments, etc.)

Why continuing vocational training may become important for the development sector

Continuing vocational training is fundamental to the development of this sector.

This is due to:

- new national and EEC legislation to promote modernization and quality in companies;

- technological innovation which fundamentally alters the traditional skills of both the car repairer and dealer;

- the manufacturers' new policy aiming at more organized networks of dealers which require new skills in management, organization and control;

- the customer's changing perception of the car (a necessity rather than a luxury item which must offer comfort, quality and safety), which in turn changes the customer-manufacturer relationship and the task of the dealer;

- the need to protect employment in the sector, which increasingly relies on sophisticated skills in technology, management and marketing.

In the report and in the summary there are detailed explanations of why continuing vocational training is the key to modernization and development.

A prerequisite for this is:

1. the introduction of new national legislation;

2. the introduction of suitable technology and methodology for continuing training to make activities more flexible and to overcome the lack of flexibility in time, space, training place (open learning, multi-media, etc.);

3. increasing the quantity and quality of continuing training on offer which, today, is mainly based on the manufacturers and sectoral associations.

Italy, it has been observed, lags behind other EC countries in spite of efforts made by the social partners to experiment.

In the absence of substantial government investment it is impossible to attain the necessary quality which is becoming increasingly urgent.

5. CHANGING CONDITIONS (TECHNOLOGICAL, ELECTRONIC INNOVATION, ETC.) AND THEIR IMPLICATIONS FOR THE LEVEL OF QUALIFICATIONS REQUIRED

1.

The change in conditions is related to many different factors; in particular the operational context, the market and technological innovation.

Traffic congestion and the increasing social and human costs of accidents, energy crisis, pollution and environmental damage, saturation of the market and aggressive international competition are the environmental and contextual factors with the greatest impact on change in production.

This has led to technologies which reduce consumption, maintenance and repair costs, increase safety, reduce environmental damage and improve quality of performance and services in the various models.

The motor vehicle has been transformed from a consumer good aimed at transporting goods and people to an investment which requires multi-functional performance, safety, quality and comfort.

These new technologies (widespread production of electronics for instrument and measuring systems and for controlling information systems) have significantly altered the design and production of the motor car which is becoming less and less a mechanical object and increasingly a mixture of mechanics, computing, electronics and automation.

The following phases of innovation can be distinguished (technological, organization and legal) which have, and will continue to have, a strong impact on the sector's structure and thus the need for continuing training.

Innovation aimed at:

1. restricting consumption
   reduction in weight
   vehicle transmission technologies

2. increased life of the vehicle
   new materials and paints
   anti-corrosive treatment (zinc coating, etc.)

3. increased safety and comfort
   ABS
   on-board electronic diagnostics
   electronic testing systems
   protection systems (e.g. airbags)

4. environmental protection
   composition of fuel
   catalytic converter and retrofit system (controlling exhaust)
   perfecting and marketing the electric car
   stricter regulations on the location and activities of repair shops

The logical consequence of this is a growing need for new skill levels and the transformation of traditional skills in the sector to incorporate the innovations introduced in both production and car repair.

This will have a number of effects on training:

It has led to a demand for higher skill levels from the dealer, who must be capable of presenting his product on the market and its technical characteristics, safety, comfort, innovative and price/quality ratio aspects.

As regards the car repair sector, along with the need for traditional car repair work, which will remain (although this is decreasing) and for which practical experience is the essential ingredient, there is an increasing demand for repairs to electronic equipment or components which require basic knowledge and skills as well as correct use of the equipment, increasingly electronic and computerized, needed to correctly diagnose and repair the fault.

This will have two consequences for the sector:

- increased attention to academic performance when recruiting staff;
- the need to regard continuing training as the main, irreplaceable, way of upgrading employee skills in the sector in view of the speed of technological innovation (see 4.5 regarding the need for continuing training in the dealer and car repair sectors).

6. TRAINING

In Italy there is no organization at present, either public or private, which provides continuing training in the sector, with the exception of training provided by the manufacturers, the larger dealers, the associations representing the companies and equipment manufacturers.

In Italy there is a general lag between the supply of and demand for continuing training in all fields which is linked for some reason to the legal and contractual lag (Law No. 845 obsolete) in this context.

There are limited training opportunities for young people seeking their first job and some on-going training courses. In addition, the business organizations sporadically organize skills-upgrading courses and short vocational training programmes.

Increasing awareness in the sectors of this demand for continuing training has produced a partial response. This was discussed at the last round of interconfederation agreements and, in particular, in connection with the agreement on continuing training for crafts tradesmen of January 1993, during negotiations on the National Work Contracts currently in force in the commercial sector (tertiary and service sector). The employer associations for both sectors have tended to improve their training offer for employees both in terms of quantity and quality.

They are, however, still a long way from the continuing training urgently needed by the sector on a national level.

In general, with regard to recruitment procedures, there is a distinct impression that operators need to possess basic technical skills (in order to be able to learn and describe the vehicles' new technical solutions, to know how to carry out repair work correctly, and to know how to correctly use the increasingly sophisticated equipment). This would tend to support a recruitment trend in favour of candidates with theoretical and academic knowledge as opposed to the situation in the 1980s where experience gained directly in the sector was more appreciated.

Youth employment in the sector is significant and the turnover rate rather high.

The most common procedures for recruitment are training contracts and apprenticeship.

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7. APPENDICES

1.

Legislation

Regulations governing work contracts

Commercial sector
For dealers whose main activity is the sale of vehicles, the national collective bargaining contract for the commercial sector is applicable. The following personnel categories are laid down:

Managers:
"Those belonging to the category of managers are employees, excluding directors, who perform management duties assigned to them on a continual basis, important for the development and implementation of company objectives within the scope of strategies for defining company programmes, in organizations of a suitable size and structure, which may be decentralized".

First level:
"Those belonging to the first level are workers with functions comprising a high degree of skills and who may also have executive responsibilities, i.e. head of a service or technical, administrative, commercial (sales or purchasing), legal office, shop, or branch, supermarket manager, even if this is integrated in a department store or single price store".

The most common careers on this level are:

• head of service or technical, administrative, commercial, legal office; head of EDP service, shop, branch manager; repair shop supervisor.

Second level:
"Those belonging to this level are workers who carry out their duties autonomously and/or coordinate and supervise functions, as well as personnel who carry out tasks of a creative nature within the scope of a specific technical and/or scientific area, i.e. inspector, head cashier responsible for several tills; head of department or section even if not employed in selling; bookkeeper with managerial duties; director's secretary with managerial duties and functions; warehouse supervisor; goods despatch external agent; valuer in art and antique companies; licensed shipping agent".

Third level:
"Those belonging to this level are workers who carry out managerial duties and functions or mainly those duties which require particular technical knowledge or suitable experience, i.e. foreign language typist, window dresser, assistant valuer in jewellery, optician, bookshop assistant with specific skills and responsibilities, experienced, specialized blue-collar worker; experienced, specialized assistant in the food sector, train and articulated lorry driver".

Fourth level:
"Those belonging to the fourth level carry out duties including sales and linked complementary operations as well as tasks that require specific technical knowledge, i.e. book-keeper, general cashier, sales assistant, employee performing additional operations to sales in department stores, single price stores, supermarkets and similar businesses; employees in distribution centres and/or stocks in companies, assistant in a grilled, fried food shop, delicatessen, warehouse employee, butcher, specialized blue-collar worker, specialist in butchery, delicatessen, grocery shop, fishmongers, cheese shop, cake shop, including those with sales duties".

Fifth level:
"Those belonging to this level carry out skilled work requiring basic knowledge and suitable practical and technical ability, i.e. invoice clerk, typist, sales assistant in selling food, assistant butcher, assistant salesperson, driver, skilled blue-collar worker".

Sixth level:
"Those belonging to this level carry out tasks that require simple practical knowledge, i.e. caretaker, warehouse guard, postman, guard, general blue-collar worker".

Seventh level:
"Those belonging to this level carry out cleaning or equivalent duties, i.e. cleaner using mechanical equipment, labourer".

Levels 6 and 7 require training and experience of the "elementary school" type. Levels 5 to 3 require skills equivalent to "secondary school" type. Levels 1 and 2 require skills equivalent to those obtained with school-leaving certificate and above. Managers represent a higher level of skills and compete for director-type responsibilities in their specific sectors.

In the absence of statistics it is not possible to give indications of the numbers and percentage of employees in these subdivisions.

Car repair sector
For employees in the car repair sector, the national collective bargaining agreement for the metal-processing and mechanical sector is applicable. This contract is also applied by some dealers to employees in the car repair shops.

The contract envisages the following classification levels of personnel:

2nd Level:

• administrative workers who, under guidance, perform management-type functions or functions that require particular vocational training or

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capabilities with discretionary and decision-making powers and the autonomy to take initiatives within the bounds of the general directives given to them;

• workers who carry out secretarial or support tasks within the framework of their activity or on the basis of general instructions, collecting and selecting data and information from a variety of sources and formulating summaries and evaluating them in order to correctly and succinctly identify solutions to problems and to carry out liaison activities between the company for whom they work and external companies.

Administrative directors

• workers who, under guidance, using existing procedures and within the scope of their activity, process, analyze, check and control administrative procedures. They prepare summaries, estimates and final results required in drawing-up economic and investment reports and, if necessary, contribute to adapting accounting methods and procedures.

Accountant (graduate)

3rd category

The following occupational profiles belong to this category:

• In addition to possessing all the skills required for the lower category, selecting the order of operations performed by equipment and, if necessary, interpreting drawings and functional diagrams, this occupational category also makes autonomous decisions over complex operations to identify and assess faults and repair them. They ensure that the required level of quality and/or operation is obtained using the available equipment and bench tests. They locate and identify the spare parts required and/or coordinate and plan repair work;

• employees who, under supervision, perform administrative tasks requiring a certain level of autonomy within the limits of the principles, regulations and procedures valid for that field of activity and requiring a school-leaving certificate or equivalent knowledge and experience.

4th category

The following occupational profiles belong to this category:

• employees who, following instructions, drawings and/or diagrams, autonomously identify faults. Using the available equipment they carry out repair work requiring a high degree of precision and skills, ensuring that the required quality and operational level is obtained;

• employees who, following instructions, drawings or equivalent diagrams, set up simple machinery (lathes, milling machines, grinding machines) and test benches. They perform complex tasks on parts requiring repair;

• employees who, following instructions, diagrams and/or work cycles and possessing practical knowledge of the means and methods, carry out complex welding work (also on stainless steel) as part of repair work;

• employees who, under supervision, perform simple coordination and control activities of an administrative nature or activities of a more complex nature than those envisaged for the lower category.

5th category

The following occupational profiles belong to this category:

• employees who, following precise instructions, carry out work of a normal degree of complexity on assemblies and their parts; they repair and correct minor faults;

• employees who, following precise instructions and using the required equipment and machinery, carry out refitting and replacement work for parts and/or assemblies alongside workers from a higher category depending on the complexity of the operation;

• skilled workers who carry out activities of an administrative nature requiring special preparation and practical knowledge of an office environment or corresponding work experience.

6th category

The following occupational profiles belong to this category:

• employees carrying out activities requiring limited practical experience and occupational knowledge of an elementary nature;

• employees who carry out simple servicing activities in the administrative sector following precise instructions and pre-established procedures;

• employees who carry out simple manual tasks not directly linked to the production process and for which no particular occupational knowledge is required.

Here a high level of skills is required for Level 2 workers, a secondary school level capability and

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experience for categories 3 and 4 and a lower level for categories 5 and 6.

The contract covering metal workers and mechanics contains a paragraph stating that the contracting parties will endeavour to encourage and promote vocational training. This is currently left to the goodwill of the employer. Normally training takes place within the company and does not have the form of continuing training.

All contracts contain provisions protecting the rights of female workers, protecting the health of workers in general and women and young people in particular.

Provisions also cover study leave and absence from work on account of sickness, accident, military service or personal reasons.

The contracts also provide for part-time work, nightwork, shiftwork and overtime, the right to holidays, rest periods, practical periods, apprenticeships, disciplinary measures and other factors relating to employment.

Apprenticeships
This type of contract is common in the commercial and car repair sector. Law No. 25 of 1955 provides the legal framework. It permits an employer, following approval by the work inspectorate, to recruit a certain number of young people who do not possess any form of academic qualification, occupational qualification or specific qualification and who are not older than 20 years of age. In certain cases this age limit may be raised to 26 years for specific collective work contracts.

In this form of employment, the employer is obliged to provide vocational training and in exchange is exempt from paying the obligatory health and social security contributions.

Where public training facilities are not available, the training takes place within the company. The training provided is not continuing training and, with few exceptions, has little theoretical basis.

The duration of apprenticeship varies depending on the sector and the relevant contract.

Training and work contracts
This form of recruitment is widespread today both in the commercial and car repair sectors. It was introduced with the aim of boosting the employment of young people. Law No. 863 of 19 December 1984, subsequently modified by Law No. 407 of 1990, providing for raising the age limit from 29 to 32 years under certain conditions, is the legal framework for this.

The law provides for the recruitment of young people up to the age of 29 on a fixed-term contract without any specific professional skills or experience. The employer is obliged to provide both theoretical and practical training. Decisions with regard to training are taken autonomously by the employer and training does not have to be of a continuing nature.

In return for this commitment, the employer is given certain concessions, such as the liberty to choose recruits and reductions in the obligatory health and social security contributions.

Initial training
It must be noted that in Italy there is little initial vocational training in motor vehicle repair.

Through courses at a vocational training centre, normally over a period of 2 to 3 years, it is possible to qualify as a skilled car mechanic, electrician, etc.

There are three kinds of courses:

a. *training organized by the state on a national level,*
b. *training organized by the state on a regional level*
c. *training organized privately*

a. Training organized by the state on a national level

The Ministry of Education in Italy has drawn up a directory of professional training schemes, with a duration of 3 years, for technicians in the motor vehicle sector.

The more popular qualification is the car mechanic, his work involves diagnosing and repairing faults. He understands the causes of malfunctions in engines, transmissions, brake systems, etc. He is capable of replacing parts, materials and testing these. The training course is of 3 years duration:

Subjects	Hours/week		
	1st year	2nd year	3rd year
Religion	1	1	1
General education	7	5	3
Foreign language (technical aspects)		3	2
Mathematics	4	2	2
Physics		3	2
Technical subjects	26	24	28
Physical training	2	2	2

Upon completion of this course, should the student wish to continue his studies and go on to university, he must attend a further 2 year course to obtain a school-leaving certificate.

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For example, he could attend a course for technicians in the mechanical and motor vehicle industry. The course lasts 2 years and provides training in production, organization and operations in production areas, laboratories and services. The trainee receives training in analyzing the production processes and defining manufacturing cycles in the car industry.

The course is divided up as follows:

Subjects	1st year	2nd year
Religion	1	1
Italian	4	4
History	2	2
Economics	1	
Law		1
Foreign language	4	2
Mathematics	3	5
Physics	4	4
Chemistry	4	
Electronics	3	3
Technical subjects	8	12
Physical training	2	2

b. Training provided by the state at regional level

The regions also bear responsibility for the vocational training of young people. They organize training courses in their centres or fund centres to run such courses. These are of 2 years duration with a total of 2,400 hours training and participants are unable to proceed to further studies. These courses aim to prepare young people for employment.

The courses for motor vehicle mechanics and electricians fall within this category of training.

Training provides skills enabling the student to identify the causes of malfunctions, and to repair and recondition petrol and diesel engines, to repair transmissions, brake systems, suspensions, etc. The trainee is also capable of making static tests.

The subjects covered are humanities (268 hours), mathematics and science (412 hours), practical and technical studies (1,020 hours) and theory (700 hours).

The course for motor vehicle electricians is similar in profile but is devoted to the electrical aspects: ignition and lighting systems.

The subjects and number of hours are identical to the course for mechanics but focus on different aspects.

c. Training provided privately

Each company recruiting new employees requires them to attend courses in the field in which they will work. These are in-house courses organized directly by the company.

It is difficult to obtain national data on the number of courses, participants, effects, etc. in the motor vehicle area as, in the example of Case Study A, the regions are to a large degree responsible for the organization of training, as such training has a direct impact on local employment prospects.

There is no specific initial training for employees in the distribution sector. All types of commercial studies can meet the needs of companies which are responsible for the induction of new employees.

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8. TABLES

1.

Table 1 – The share of the motor vehicle industry in total gross national product and industrial production

Country	Share of GNP	Share of industrial production
Italy	2.40%	7.70%
France	5.90%	7.00%
W. Germany	8.50%	20.00%
United Kingdom	2.50%	10.00%
Belgium	3.70%	14.50%
Spain	7.00%	21.30%
Japan	3.50%	10.00%
USA	4.30%	7.40%

Source: "Commercializing the car", Volpato, Ed. CEDAM

Table 2 – Employment in the motor vehicle industry

Country	Direct employment	Indirect employment	Total employment
Italy	220,000	1,780,000	2,000,000
France	630,000	1,330,000	1,960,000
W.Germany	724,000	3,575,000	4,300,000
United Kingdom	255,000	714,000	969,000
Belgium	51,600	730,000	781,600
Spain	97,100	1,987,000	2,084,500
Japan	765,000	4,486,500	5,251,500
USA	738,000	10,732,000	11,470,000

Source: "Commercializing the car", Volpato, Ed. CEDAM

Table 3

Year	Total no. of distributors	% Italian car distributors	% Foreign car distributors	Total cars delivered	% Italian cars	% Foreign cars
1973	2,462	45.40	54.60	1,340,000	74.80	25.20
1980	3,055	43.90	56.10	1,667,000	61.80	38.20
1986	3,260	50.20	49.80	1,691,000	66.10	33.90
1988	3,358	51.30	48.70	2,004,000	66.00	34.00

Table 4

Year	Total no. delivered cars	Total no Italian cars	Total no foreign cars	Total no. foreign cars excluding Japanese cars	Total no Japanese cars	% Italian cars	% Foreign cars excluding Japanese cars	% Japanese cars
1990	2,384,154	1,241,806	1,106,348	1,060,330	46,018	52.9	45.2	1.9
1991	2,340,716	1,094,620	1,246,096	1,183,979	62,117	46.8	50.6	2.6

NB. Data provided by Italian manufacturers and importers

Table 5 – Trends in network sizes

Year	Distributors	Deliveries (000s)	Average number	Distributors of Italian cars	Deliveries of Italian cars (000s)	Average number	Distributors of foreign cars	Deliveries of foreign cars (000s)	Average number
1973	2,426	1,340	552	1,102	1,002	910	1,324	338	255
1974	2,640	1,349	511	1,194	911	763	1,446	324	224
1975	2,676	1,013	378	1,220	712	583	1,456	301	207
1976	2,759	1,141	414	1,226	737	601	1,533	404	264
1977	2,797	1,171	419	1,237	767	620	1,560	405	260
1978	2,863	1,345	470	1,253	875	698	1,610	470	292
1979	2,918	1,323	453	1,269	853	672	1,649	522	317
1980	3,055	1,667	546	1,341	1,031	769	1,714	635	371
1981	3,145	1,675	533	1,392	1,027	738	1,753	648	370
1982	3,178	1,611	493	1,463	996	681	1,715	615	359
1983	3,267	1,502	460	1 520	994	654	1,747	508	291
1984	3,289	1,530	465	1,585	1,025	647	1,704	505	296
1985	3,257	1,627	499	1,616	1,040	643	1,641	587	358
1986	3,260	1,691	518	1,636	1,118	683	1,624	573	353
1987	3,288	1,815	552	1,690	1,191	711	1,614	624	386
1988	3,358	2,004	596	1,724	1,322	766	1,603	682	425

NB: As of 1976 data refers to "deliveries"
Italian makes included are Fiat, Lancia, Autobianchi, Alfa Romeo, Innocenti
Foreign makes include: Renault, Peugeot, Simca, VW-Audi, Ford, Opel-GM, BMW
The data on delivered cars refers only to cars of these makes

Source: Data provided by ANFIA-UNRAE and by manufacturers
Source: "Commercializing the car", Volpato, G., CEDAM

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Table 6 – Trends in sales networks for main Italian makes (no. of distributors)
Compiled in 1991 from "Commercializing the car", Volpato, G., Ed. CEDAM

Year	Fiat	Lancia Autobianchi	Alfa Romeo	Innocenti	Total
1973	547	170	285	100	1,102
1974	547	243	299	105	1,194
1975	554	246	310	110	1,220
1976	557	245	295	129	1,226
1977	560	244	295	138	1,237
1978	568	247	295	143	1,253
1979	571	251	300	147	1,269
1980	619	260	314	148	1,341
1981	658	262	317	155	1,392
1982	702	268	326	167	1,463
1983	735	307	335	164	1,520
1984	717	335	350	164	1,585
1985	759	355	352	162	1,616
1986	759	360	352	160	1,636
1987	828	365	344	153	1,690
1988	832	383	355	154	1,724
1989	849	395	357	155	1,757
1991[1]	763	405	338	160	1,666

[1] Data refers to December 1991

Source: ANFIA-UNRAE and data provided by manufacturers

Table 7 – Trends in sales networks for main foreign manufacturers (no. of distributors)
Compiled in 1991 from "Commercializing the car", Volpato, G., Ed. CEDAM

Year	Renault	Peugeot	Simca	Citroen	VW Audi	Ford	Opel GM	BMW	Austin Rover	Volvo	Mercedes Benz	Seat
1973	220	132	289	198	120	124	140	101	n.a.	n.a.	n.a.	
1974	270	136	270	140	240	136	145	109	n.a.	n.a.	n.a.	
1975	270	146	273	145	190	146	168	118	n.a.	n.a.	n.a.	
1976	298	159	275	153	185	175	170	118	103	n.a.	n.a.	
1977	308	150	276	150	170	207	180	119	112	n.a.	n.a.	
1978	320	153	269	155	178	232	184	119	115	n.a.	n.a.	
1979	327	165	276	158	170	245	189	119	116	n.a.	n.a.	
1980	351	179	277	160	179	251	189	127	117	n.a.	n.a.	
1981	375	179	272	159	182	248	190	145	128	98	n.a.	
1982	395	370		158	190	261	193	139	160	98	n.a.	
1983	412	323		162	192	264	201	191	175	106	129	
1984	411	285		152	195	261	216	184	141	107	125	177
1985	408	244		163	202	252	221	149	180	102	104	170
1986	397	244		164	203	247	222	137	187	106	110	197
1987	385	258		167	207	251	221	121	147	111	112	240
1988	384	258		165	209	251	209	127	140	111	112	240
1989	388	257		162	212	255	217	131	138	110	111	241
1991[1]	387	256		179	226	272	213	130	148	100	136	228

[1] Data refers to December 1991

Source: Data provided by manufacturers

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Table 8 – Average size of marketing networks for the main makes (number of cars supplied)
Compiled from "Commercializing the car", Volpato, G., Ed. CEDAM

Year	Fiat[1]	Lancia Autobianchi	Alfa Romeo	Renault	Peugeot	Citroen	VW Audi	Ford	Opel GM	BMW	Austin Rover	Volvo	Mercedes Benz	Seat
1973	1,339	600	433	303	153	264	304	349	335	105	n.a.	n.a.	n.a.	n.a.
1974	1,185	398	312	300	166	381	111	237	268	107	n.a.	n.a.	n.a.	n.a.
1975	867	320	312	247	140	314	206	166	189	129	n.a.	n.a.	n.a.	n.a.
1976	936	324	312	318	166	388	248	228	328	136	n.a.	n.a.	n.a.	n.a.
1977	996	310	271	317	166	440	242	324	224	132	n.a.	n.a.	n.a.	n.a.
1978	1,086	350	350	353	178	488	288	320	299	184	n.a.	n.a.	n.a.	n.a.
1979	1,025	347	380	426	182	500	428	290	279	183	n.a.	n.a.	n.a.	n.a.
1980	1,177	451	377	514	178	531	504	313	326	271	129	n.a.	n.a.	n.a.
1981	1,088	435	355	471	184	492	632	373	318	233	201	154	n.a.	n.a.
1982	1,022	444	327	465	184	471	601	325	316	187	198	150	n.a.	n.a.
1983	970	430	311	390	134	357	468	274	273	146	156	162	103	n.a.
1984	959	420	342	356	178	381	492	281	244	148	144	198	120	176
1985	944	465	321	427	232	376	720	275	263	141	135	173	193	218
1986	1,032	487	319	392	270	355	701	281	262	145	137	158	195	147
1987	1,004	545	316	391	324	413	794	313	259	149	161	147	237	256
1988	1,106	550	400	403	379	428	878	318	342	186	169	134	275	300

[1] Data revised to include Fiat subsidiaries (32 in 1989)

Source: ANFIA-UNRAE and data provided by manufacturers

Table 9 – Average size of marketing networks for main makes
Compiled from "Commercializing the car", Volpato, G., Ed. CEDAM

Year	Fiat	Lancia Autobianchi	Alfa Romeo	Renault	Peugeot	Citroen	VW Audi	Ford	Opel GM
1973	995	420	303	212	107	185	212	244	234
1974	996	315	247	237	131	302	88	187	212
1975	872	304	296	235	133	298	196	157	179
1976	829	272	262	267	139	326	208	191	276
1977	862	253	221	259	135	360	198	265	183
1978	828	252	252	255	128	352	208	231	216
1979	751	240	263	295	126	346	296	201	191
1980	719	262	219	298	103	308	293	181	189
1981	681	250	204	270	105	282	363	214	182
1982	633	262	193	275	108	278	355	192	187
1983	652	271	196	246	84	225	295	173	172
1984	620	256	209	217	108	232	300	171	149
1985	572	266	183	244	132	215	412	157	150
1986	585	266	174	214	147	194	384	153	143
1987	556	275	159	197	163	208	401	158	131
1988	526	251	183	184	174	196	402	145	156

Source: ANFIA-UNRAE and data provided by manufacturers

Table 10 – Car Sales in November
Deliveries and deliveries over previous year

Make	November			January–November		
	1992	% Share	% Variation	1992	% Share	% Variation
Alfa Romeo	8,058	5.04	- 3.30	101,618	4.57	- 4.90
Fiat	49,673	31.08	-13.60	707,620	31.79	- 0.60
Lancia	11,761	7.36	-30.60	161,070	7.24	-13.80
Others	1,028	0.64	-20.10	14,056	0.63	-18.50
Total national	70,520	44.12	-16.10	984.364	44.23	- 3.80
Audi	3,076	1.92	3.40	44,554	2.00	24.40
BMW	3,012	1.88	2.50	36,243	1.63	18.00
Citroen	4,194	2.62	-28.00	60,348	2.71	-10.00
Ford	14,506	9.08	-28.80	242,049	10.87	- 0.90
Mercedes	2,849	1.78	-19.50	37,279	1.67	-9.40
Nisan	3,056	1.91	112.70	23,699	1.06	42.30
Opel	9,770	6.11	15.90	124.496	5.59	41.50
Peugeot	6,346	3.97	-29.50	102,772	4.62	- 2.20
Renault	11,164	6.99	0.20	170,113	7.64	- 4.90
Rover	2,424	1.52	38.10	26,816	1.20	- 6.90
Seat	3,010	1.88	-37.90	50,524	2.27	-10.00
Suzuki	625	0.39	-37.10	9,893	0.44	-11.60
Volkswagen	18,338	11.47	5.50	226,285	10.17	24.00
Volvo	1,553	0.97	3.40	20,665	0.93	4.90
Other foreign makes	5,379	3.35	9.80	65,661	2.95	33.10
Total imports	89,302	55.88	- 8.00	1,241,397	55.77	7.20
Total	159,822	100.00	-11.70	2,225,761	100.00	2.00

Source: "Quattroruote" – Domus, monthly magazine

Table 11 – National service and repair network

Regions	Car repair shops		Body repair shops		Car electricians		Tyre specialists		Service stations and car washes		Garages		Car supplies		Engine reconditioners		Tyre retreaders		Total service network	
Piemonte	3,500	14.00	2,250	11.40	840	9.30	680	9.70	1,650	10.20	510	10.40	1,300	8.40	70	9.00	20	5.60	10,850	11.00
Valle D'Aosta	6,100	24.40	3,530	17.90	1,230	14.70	1,000	14.30	2,470	15.30	890	17.10	2,200	14.30	98	12.60	25	6.90	17,643	17.90
Lombardia	250	1.00	360	1.80	100	1.10	100	1.40	380	2.40	40	0.80	220	1.40	8	1.00	2	0.50	1,460	1.50
Trentino A.A.	2,040	8.20	2,000	10.20	740	8.20	530	7.60	1,600	9.90	180	3.40	900	6.40	70	9.00	28	7.80	8,168	8.30
Veneto	680	2.70	500	2.50	170	1.90	140	2.00	400	2.50	90	1.70	310	2.00	15	1.90	10	2.80	2,305	2.30
Friuli V.G.	950	3.80	700	3.60	280	3.10	220	3.10	620	3.80	280	5.40	550	3.60	21	2.70	20	5.60	3,631	3.70
Liguria	2,220	8.90	1,950	9.90	990	11.00	730	10.40	1,580	9.80	270	5.20	1,100	7.20	60	7.70	30	8.30	8,920	9.00
Emilia R.	2,250	9.00	1,600	8.10	550	6.10	480	6.90	1,220	7.60	290	5.60	1,200	7.80	52	6.70	20	5.60	7,672	7.80
Toscana	200	0.80	320	1.60	150	1.70	120	1.70	320	2.00	30	0.60	230	1.50	20	2.60	20	5.60	1,410	1.40
Umbria	480	1.90	700	3.60	330	3.70	220	3.10	540	3.40	50	1.00	450	2.90	22	2.80	35	9.70	2,812	2.90
Marche	2,100	8.40	1,820	9.20	950	10.50	650	9.30	1,300	0.10	1,280	24.60	1,700	11.00	85	10.90	20	5.60	9,920	10.10
Lazio	310	1.20	530	2.70	270	3.00	220	3.10	400	3.00	10	0.80	430	2.80	25	3.20	15	4.20	2,325	2.40
Abruzzo-Molise	1,030	4.10	820	4.20	630	7.00	460	6.60	850	5.30	580	11.10	1,400	9.10	60	7.70	25	6.90	5,845	5.90
Campania	1,100	4.40	830	4.20	600	6.70	380	5.40	780	4.80	320	6.10	950	6.20	60	7.70	5	1.40	5,045	5.10
Puglia	60	0.30	110	0.60	60	0.70	60	0.90	110	0.70	10	0.20	160	1.00	4	0.50	25	6.90	579	0.60
Basilicata	250	1.00	310	1.60	160	1.80	260	3.70	360	2.20	40	0.80	490	3.20	36	4.60	40	11.10	1.931	2.00
Calabria	1,130	4.50	950	4.80	700	7.80	450	6.50	1,040	6.50	240	4.60	1,300	8.40	55	7.00	20	5.50	5,905	6.00
Sicilia	350	1.40	420	2.10	150	1.70	300	4.30	400	2.50	30	0.60	430	2.80	19	2.40			2,119	2.10
Sardegna	25.000	100.00	19,700	100.00	9,000	100.00	7,000	100.00	16,100	100.00	5,200	100.00	15,100	100.00	780	100.00	360	100.00	98,540	100.00

Source: Promotec Survey

Table 12 – Structure of the fleet of cars on the road (1984)
Percentage of total number of vehicles on the road

Italy	
Motor vehicles	92.10
Industrial vehicles	7.90
Total vehicles	100.00
Total no. of vehicles	22,680,636

Source: ANFIA

Toscana Quaderno No. 3 – September 1987, Regione Toscana, research on the car repair sector in Tuscany

Table 13 – Vehicle density (1984)

No. of registered vehicles per 1000 population	
Tuscany	446
Italy	366
North-west Italy	420
North-east Italy	415
Central Italy	424
Southern Italy and islands	270

Source: ANFIA-ISTAT

Toscana Quaderno No. 3 – September 1987, Regione Toscana, research on the car repair sector in Tuscany

Table 15

Total no. of car, cycle and motorcycle repair shops	Total no. of employees	Average no. of employees per shop
107,000	264,000	2.4672

Source: 1981 ISTAT Survey

Table 16

	Sector	Average no. of employees per shop
Total no. of employees in the car, cycle and motorcycle repair shops 264,000	Cycle and motorcycle repair	1.3
	Car body repair	2.799
	Car repair	2.502
	Tyres	2.447

Source: 1981 ISTAT Survey

Table 17 – Size of local car repair shops

Total no. of local shops	Local shops with									
	1–2 employees		3–5 employees		6–9 employees		10–19 employees		More than 19 employees	
	%	No.	%	No.	%	No.	%	No.	%	No.
97,000	39.6	38,412	31.1	30,167	13.1	12,707	9.6	9,312	6.6	6,402

Source: 1981 ISTAT Survey

Table 14 – Population and motor vehicle density by region (Estimates 1990)

Regions	Total motor vehicles on the road											
	Population (thousands)	%	Motor cars		Light trucks		Heavy goods vehicles		Buses and coaches		Trailers and semi-trailers	
Piemonte	4,400	7.60	2,400,000	9.50	158,000	10.90	59,000	9.10	6,500	7.70	53,000	11.80
Valle D'Aosta	120	0.20	76,000	0.30	6,000	0.40	2,000	0.30	400	0.50	1,400	0.30
Lombardia	8,900	15.40	4,510,000	17.90	275,000	19.00	108,000	16.60	10,700	12.60	91,000	20.20
Trentino A.A.	900	1.60	400,000	1.60	25,000	1.70	12,000	1.90	1,800	2.10	8,600	1.90
Veneto	4,400	7.60	2,010,000	8.00	119,000	8.20	63,000	9.70	6,800	8.00	46,000	10.20
Friuli V.G.	1,220	2.10	600,000	2.40	32,000	2.20	14,000	2.20	2,000	2.40	15,000	3.30
Liguria	1,750	3.00	830,000	3.30	39,000	2.70	17,000	2.60	3,400	4.00	18,000	4.00
Emilia Romania	3,920	6.80	2,170,000	8.60	148,000	10.20	70,000	10.80	5,700	6.70	52,000	11.60
Toscana	3,600	6.20	1,920,000	7.60	115,000	7.90	43,000	6.60	6,300	7.40	36,000	8.00
Umbria	820	1.40	430,000	1.70	23,000	1.60	12,000	1.90	1,600	1.90	11,000	2.40
Marche	1,450	2.50	730,000	2.90	45,000	3.10	21,000	3.20	2,200	2.60	12,000	2.70
Lazio	5,150	8.90	2,500,000	10.00	112,000	7.70	47,000	7.20	11,500	13.50	34,000	7.60
Abruzzo	1,280	2.20	504,000	2.00	33,000	2.30	16,000	2.50	2,500	2.90	6,300	1.40
Molise	350	0.60	102,000	0.40	9,000	0.60	4,000	0.60	700	0.80	1,400	0.30
Campania	5,780	10.00	1,620,000	6.40	81,000	5.60	39,000	6.00	6,700	7.90	18,000	4.00
Puglia	4,080	7.10	1,210,000	4.80	68,000	4.70	34,000	5.20	4,600	5.40	15,000	3.30
Basilicata	630	1.10	204,000	0.80	13,000	0.90	6,000	0.90	1,300	1.50	2,000	0.40
Calabria	2,180	3.80	608,000	2.40	35,000	2.40	19,000	2.90	2,500	2.90	4,300	1.00
Sicilia	5,190	9.00	1,815,000	7.20	84,000	5.80	17,000	7.20	5,300	6.20	16,000	3.60
Sardegna	1,680	2.90	561,000	2.20	30,000	2.10	17,000	2.60	2,500	3.00	9,000	2.00
	57,800	100.00	25,200,000	100.00	1,450,000	100.00	650,000	100.00	85,000	100.00	450,000	100.00

Source: "Quattroruote", Domus, monthly magazine

Table 18 – Structure of employment – Percentage employees

Type of employee	Owner	Partner	Employee	Worker	Apprentice	Total
Repair shops						
1–2	75.00		2.50	22.50		100.00
3–5	50.00	2.20	3.30	33.40	11.10	100.00
6 or more	41.80		7.50	43.30	7.40	100.00
Total	52.30	1.00	4.60	34.50	7.60	100.00
Specialists						
1–2	69.20		3.90	15.40	11.50	100.00
3–5	43.10	3.50	1.70	31.00	20.70	100.00
Total	51.20	2.40	2.40	26.20	17.80	100.00
Car body repairers						
3–5	48.80	4.70	2.30	37.20	7.00	100.00
6 or more	29.20		5.30	58.40	7.10	100.00
Total	34.60	1.30	4.50	52.60	7.00	100.00
Total	45.80	1.40	4.10	39.30	9.40	100.00

Source: Toscana Quaderno No. 3 – September 1987, Regione Toscana, research on the car repair sector in Tuscany

Table 19 – Owners' educational level
Percentage

Educational Qualification	Repair shop	Specialist	Car body repair	Total
Elementary school certificate	48.2	44.5	65.5	51.9
Secondary school certificate	35.5	48.9	27.3	36.2
Vocational training certificate	1.0	2.2	1.8	6.2
Technical college certificate	3.6	4.4	1.8	2.4
Other school certificates	2.7		3.6	3.3
Total	100	100	100	100

Source: Toscana Quaderno No. 3 – September 1987, Regione Toscana, research in the car repair sector in Tuscany

Table 20 – Owners' occupational background
Percentage

Former activity	Repair shop	Specialist	Car body repair	Total
School	12.7	13.3	2.2	10.4
Employee in another car repair shop	80.9	68.9	81.1	80.1
Employee in industry	34.9	4.5	2.2	1.5
Other	6.4	13.3	6.5	8.0
Total	100	100	100	100

Source: Toscana Quaderno No. 3 – September 1987, Regione Toscana, research in the car repair sector in Tuscany

Table 21 – Employees' occupational background
Percentage

Former activity	Repair shop	Specialist	Car body repair	Total
School	55.7	86.4	39.4	52.8
Employee in another car repair shop	35.7	13.6	49.3	38.6
Employee in an industry	–	–	2.9	1.2
Other	8.6	–	8.5	7.4
Total	100	100	100	100

Source: Toscana Quaderno No. 3 – September 1987, Regione Toscana, research in the car repair sector in Tuscany

Table 22 – Employees' educational level
Percentage

Educational Qualification	Repair shop	Specialist	Car body repair	Total
Elementary school certificate	1.0	4.8	22.3	15.1
Secondary school certificate	82.9	90.5	71.6	78.5
Vocational training certificate	7.1	–	3.7	4.6
Technical college certificate	–	–	1.2	0.6
Other school certificate	–	4.7	1.2	1.2
Total	100	100	100	100

Source: Toscana Quaderno No. 3 – September 1987, Regione Toscana, research in the car repair sector in Tuscany

PART 2:

1. **SA.Mi Car Repairs s.n.c. of Sacco & Migliasso**
2. **Di Viesto SRL (Volkswagen car distributor)**
3. **Danilo Repair Shop (Citroen car distributor)**
4. **G. & G. Paglini SpA (Renault car distributor)**
5. **Bettonica & Gargan SRL (Fiat car distributor)**

1. SA.MI CAR REPAIRS S.N.C. OF SACCO & MIGLIASSO

Size of company: III

Make: None

Category of motor vehicle: A - B

Type of firm: B

1. General description of the case study

The case study was carried out in an independent repair shop, not linked in any way to a car manufacturer.

The study is based on an interview with Mr. Sacco Luciano, who is joint owner of the company along with his fathers and uncles.

The interview was held during working hours and lasted some two hours.

It was not possible to interview employees as some were absent from the repair shop and others were involved in their work. The only vocational training available to the company is that organized by the sector's association.

2. General description of the company

It is a typical family-run company located close to the centre of Turin in via Crissolo 10/A, a location which can be accessed easily from the suburbs.

The company is a member of an independent repair shop group and has no agency or authorization from any car manufacturer.

The repair shop carries out general car repairs.

The interviewee was interested in the technical innovations taking place in the car industry at present, particularly with regard to fuel supply systems (fuel injection/carburation) as this is one of the company's special areas of activity.

He feels that skills upgrading and continuing training is a useful tool for combatting difficulties in car repair resulting from the introduction of new technologies and as a means of competing with authorized car repair mechanics.

This is a typical family-run company with 6 mechanics, 4 of whom are co-owners and 2 employees all belonging to the same family. The company, therefore, belongs to the Group 1 type of companies (less than 5 employees). One of the owners looks after the administrative side of the business in addition to his technical work.

The company provides repair and maintenance for any type and model of car.

Nearly all repairs are of a mechanical nature. The fault is detected, corrected and parts replaced.

Work is carried out on parts subjected to technical wear or those needing periodic adjustment: carburation and fuel injection systems, gearbox, petrol and diesel engines, brake systems and suspension. The company also undertakes work on car electrics, although not directly.

The company was founded at the beginning of the 1960s in premises adjacent to the present ones, to which they transferred two years ago. The premises cover 180 sq.m. and is taken up entirely by the repair shop.

Recently, to counter difficulties raised by the crisis in the sector, increased competition and rapid technological innovation in the car industry, the company adopted the following policies:

- conservative customer policies;
- strategies to keep pace with technological innovation (Mr. Luciano Sacco has attended 3 courses organized by the sector association);
- acquiring new equipment, including a fume analyzer useful for setting fuel injection systems, in addition to new equipment for fitting catalytic convertors and for monitoring engine combustion.

The company has encountered particular difficulties in skills upgrading with regard to fuel injection systems. The problem was solved by attending a special course on fuel injection systems organized by the sector association.

The level of business and turnover is good although, with regard to training, not all partners have the same degree of awareness. This hampers the development of a corporate strategy on training activities.

The company is run jointly by the 4 owners and one of them (the interviewee) is in charge of the administrative management.

The 4 owners are assisted by 2 employees.

The following diagram shows the organization of the company:

With the exception of administration, none of the partners have specific tasks or responsibilities. Technical support and customer relations is divided up equally among all partners.

The 2 employees are manual workers with indefinite contracts. They are 25 and 29 years of age, male Italians and, like the partners, all belong to the same family.

Working hours, holidays, allowances and salary structure are regulated by the national collective contract for the car repair sector.

The employees are not eligible for any type of benefit and there is no need for overtime.

Both have completed school and have a school-leaving certificate.

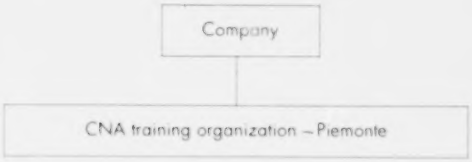
The employees were recruited from within the family structure.

Although the interviewee does not plan further recruitment in the foreseeable future he would be in favour of recruiting workers who have a good level of technical studies or, at least, a qualification relevant to the sector in view of the technical innovation and the various makes and types of vehicle on the market which make widespread use of electronics.

This has led to, and will continue to lead to, a new need for a solid technical background which can be built upon through continuing training.

3. The provision of continuing vocational training (CVT)

Diagram of bodies providing training:



The only provider of continuing vocational training with which the firm has had contact is the training organization of CNA (ECIPA) which is described below.

ECIPA is a national vocational training organization set up by the CNA (the national trades confederation), which operates throughout Italy at regional and provincial level. All training branches are well organized with their own offices, equipment and trainers. The Turin office is located in via Bardonecchia.

ECIPA provides training courses jointly with the sector associations in the following subjects:

- technology;
- adminstration and management;
- sales and marketing.

Courses last, on average, 50 hours and comprise 50% theory and 50% practical activities which are carried out in conjunction with the companies in the sector (repair shops).

The ECIPA courses which the interviewee attended were:

- 2 courses on fuel injections systems;
- 1 course on retrofit devices.

The first two courses comprised 15 three-hour sessions, half of which were devoted to theory and the other half to practical aspects. The third course, on retrofit devices, was a short seminar comprising 5 sessions.

4. Training policies adopted by the company

As the company is fairly specialized in car repair, training is considered useful particularly when concerned with technologically sophisticated systems such as fuel injection systems, ABS braking systems and catalytic convertors.

The interviewee expressed particular interest in continuing vocational training in the technical area.

To date the training offered by the sector association has met the company's needs.

The interviewee is aware that expansion and development of the company depends on greater professional skills and in further specialization in the repair shop thus requiring a wider knowledge of equipment and technologies as well as the ability to manage the company effectively.

On account of this, the company is currently considering a continuing training strategy, making use of the training offered by the sector association and opportunities for training in specialist areas.

It was with this in mind that, in the course of this year, some of the other company partners will attend training courses.

Attendance at CVT courses is voluntary and takes place outside normal working hours on account of the company's limited size and the problems of coping with the absence of workers during working hours.

Up until 1989 no one in the company had attended a training course.

Since 1990 the interviewee has attended courses offered by the sector association.

In 1993 the other partners in the company showed willingness and attended training courses organized by the sector association.

The questionnaires completed by the employees have not been attached as the only individuals in the company to have attended courses are co-owners.

Employees will start to attend training courses as from 1993.

Training is at the company's own expense as independent repair shops are not eligible to attend courses organized by the manufacturers. For the first two courses on fuel injection systems the company paid 400,000 lire each and for the course on retrofit systems 100,000 lire.

Overall training costs amount to less than 1 million lire over the last 2–3 years.

The interviewee considered the costs warranted in view of the quality of the training course and of its usefulness to the repair shop.

5. Assessment of the training concept

The company may be classified in that group of companies desperately requiring an efficient continuing training system, providing courses which they can attend in spite of the small size of the company and the rigidity imposed by the need for workers to be present.

The company is gradually becoming more aware of this and has attempted to cater for training needs as far as possible.

6. Conclusions regarding continuing vocational training

This case study has been included in spite of its brevity as it represents a very general situation in the group of small, independent repair shops of which the sector is primarily composed.

The case study was selected from among some 20 repair shops with a maximum of 3–4 employees, interviewed firstly by telephone in order to ascertain their conditions both in Turin and Puglia. A case study in the Barletta area was not included as it was considered unrepresentative of the sector.

The interviewer could have chosen for case study a company making greater use of continuing training, but such a selection would have been incorrect as it would have been unrepresentative of the vast majority of small, independent repair shops in the country.

SA.MI. accurately reflects the situation of small repair shops.

These are not linked to any dealer nor approved by the manufacturers.

For this reason they are excluded from information and continuing training planned and organized by manufacturers. The only training at their disposal is that offered by the sector associations (which is of great value as it is the only training source available), the private courses which are offered, at high costs, and the training provided by the manufacturers of equipment and components.

This study highlights the impact of continuing training and legislation in this respect for the sector.

As such repair shops are often very small in size, and thus the weakest in the market, they are doubly penalized.

The case study under review is representative of the realities in the sector which requires urgent measures in favour of continuing training, which is expanded upon in the final part of this report.

The case study in question is representative of the level of awareness of many owners of independent repair shops with regard to training. Awareness arose at too late a stage (in this case prior to 1989 no one had taken part in training), this hampered the spread of the awareness of training needs. Similarly, awareness of the need to remain competitive and to consider developing company strategies has provoked an urgent need for sporadic and continuing vocational training activities.

This change in thinking over 2–3 years in the company under study would seem indicative of trends throughout the sector.

In SA.MI.'s case the company intends to intensify continuing vocational training activities this year. Other members of staff will attend courses and attention will be given to courses offered on the market and not by the sector association provided they meet the repair shop's needs.

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2. DI VIESTO SRL (VOLKSWAGEN CAR DISTRIBUTOR)

2.

Size of company: IV

Make: VW – Audi

Category of motor vehicle: A – B

Type of company: B

1. General description of the case study

The following case study is based on interviews in and descriptions of:

- The Di Viesto dealership srl (Turin)

Mr. Francesco Di Viesto, who runs the company jointly with his brother, was interviewed.

In an interview lasting some 3 1/2 hours during normal opening time, Mr. Di Viesto detailed the company's past and its future projects, its current structure and training strategy.

- Autogerma: Italian branch of Volkswagen-Audi (Verona)

In an interview conducted at the Autogerma offices, lasting some 3 hours on 23 November, 1992, the training manager described the aims, methods and structure of training carried out by the company for the dealer network and authorized repair shops.

2. General description of the company

Di Viesto srl is a typical family business, located in the Via Reiss Romoli 150 on the outskirts of Turin, an area which can be accessed easily from the city centre and from outside the city (ring roads, main city road networks).

The company is an agent for Volkswagen and Audi and runs a repair shop and spare parts department.

It is a limited company with 45 employees.

The company sells both new (Volkswagen and Audi cars and Volkswagen light vehicles) and second-hand vehicles (of any make).

For a number of years the number of vehicles the company has sold has been rising; in 1988 it sold 1,021 compared with 2,131 by 31.10.92, a sales increase of more than 100% over the 4 year period.

Increasing sales corresponds to increased turnover. In recent years Di Viesto has seen increases in turnover from both service, repair and maintenance work as well as from sales of spare parts.

The mechanics' repair shop is well organized and has modern equipment which guarantees any sort of maintenance or repair work on any make of vehicle.

Repairs may be of an electrical, electronic or mechanical nature and can be carried out on any vehicle part or component.

Recent company history and development strategies

The company started as a limited partnership founded by the Di Viesto brothers in 1975 as a mechanical repair shop in Turin.

In 1985 the company moved to larger premises where, in addition to offering car repair services, they began to sell new and second-hand cars. In 1980 the legal form of the company changed from a limited partnership to a trading partnership and the company became agents for Volkswagen and Audi (they were already an authorized repair shop for Volkswagen). They moved to their new company-owned premises in 1990.

The move was prompted by a market research survey which singled out the northern area of Turin as one not covered by a Volkswagen dealer or a service network. The survey also revealed that the percentage share of Volkswagen car sales in this area was low.

On the basis of current achievement, the company plans to further expand in order to:

- create a new structure for Audi vehicles in order to differentiate clearly between the two manufacturers and avoid confusion for the customers;
- further develop assistance service and customer service, emphasising the quality of the product and the services it offers.

Company structure

The company is run by managing directors. Mr. Francesco Di Viesto is in charge of the commercial sector while his brother manages the car repair sector and the spares department.

The organizational chart, showing the distribution of work and tasks, is annexed to the case study.

The company employs 45 people, subdivided as follows:

- Commercial sector: 1 manager, 8 sales staff, 6 car preparers, 4 administrative clerks.
- Car repair sector: 11 skilled workers (car repair mechanics) and 5 additional staff (repair shop manager, customer receptionist, admin strative staff).
- Spares department: 6 employees.
- Administration: 5 employees.

A supervisor is in charge of each sector of operations and has supervisory and productivity control functions. The repair shop manager plays an important role; he runs the department and organizes work. The receptionist receives customers, identifies their needs and ensures that they are attended to.

Human resources
The company is composed of 8 females (17.4%) and 38 males (82.6%) all of Italian nationality and with an average age of 36 (calculated on the basis of the 16 sheets which were submitted).

All have intermediate school-leaving certificates; 6 out of 15 have secondary school-leaving certificates (40%).

All staff are under permanent contract and the labour relations are governed by the provisions of the national labour contract for the commercial sector.

Technical employees do not have any specific educational qualifications but they do have training qualifications acquired through practical experience and backed-up by participation in training courses provided by the company.

3. The provision of continuing vocational training (CVT)

To satisfy its training needs the dealer makes use of the sources described below:

a. Autogerma SpA with headquarters in Verona, an importer of Volkswagen-Audi vehicles into Italy, provides training for sales staff and technical training in the car repair sector, with structured courses for various skill levels.
b. Goldman Cegos, of Milan, which provides behaviourial training courses for all employees in direct contact with the public (sales staff, sector managers, receptionists) and manager training courses.
c. Ipsoa which is responsible for training in the administrative sector.

a. Autogerma – Volkswagen

General information
Autogerma SpA, with headquarters in Viale Gumport 1, Verona, is the official Italian importer of Volkswagen-Audi vehicles.

The company is responsible for organizing the distribution network for Volkswagen-Audi and for ensuring high quality service and repair of these vehicles.

To do so, Autogerma believes that it is essential to provide the companies in its network (dealers and authorized repair shops) with a competent training service.

General description of the training service
Training is provided for those involved in commercial tasks and for technical service work (including spare parts, rotation of components and accessories/supplies and assembly). Other employees in the company and in the network are also provided with training (owners and managerial and administrative staff, computer staff).

Courses are arranged on technical theory for staff in manual tasks and on organizational subjects for administrative staff.

Training for commercial sector

The courses in commerce and organization are held either at the company or at the dealers, providing suitably equipped facilities are available for the use of training equipment which comprises: luminous blackboards, graphic equipment, cards, texts and folders, televisions and video recorders.

Autogerma SpA organizes courses for dealers which aim to provide training in economic and administrative management. These courses include:

- A business management course comprising management control and corporate budget. It is provided for newly established dealers and, upon request, for existing dealers.

Currently three employees are involved in this project.

- A training course in data processing to train operators in the use of computer programmes and application software, management of orders, accounting, data compilation for statistical use. The software is designed directly by Autogerma.

- Marketing courses for sales managers, sales staff, sub-dealers in subjects such as the methodology of sales staff/customer relations, the product and its testing, telephone sales and, within the company, market analysis and advertising techniques.

Technical training

The courses for technical staff are divided into two distinct categories:

- courses for staff directly involved in sales and repair activities;
- courses for staff indirectly involved.

The first category includes employees who work directly on the car, such as mechanics, electricians, bodywork repair, wheel and tyre special-

ists, paint sprayers. The second category includes employees whose tasks involve customer reception, work organization and management (repair shop managers) and staff who carry out other administrative duties.

At present the technical and practical courses are held at Autogerma's technical school or in the dealers' repair shops. For this type of course diagnostic equipment, test benches, mechanical parts and mechanical, electrical and electronic components must be available.

On account of this, Autogerma has cars, used only for training purposes, which are able to fulfil all requirements relating to analysis, fault finding and simulation, detection and study of new materials and of innovative technical solutions.

For the body and paintwork sector, the courses are organized in the factories of the Italian branch of BASF (Volkswagen's German paint supplier) and the trainers are also provided by this company.

For bodywork repair courses use is made of Autogerma facilities and staff.

To ensure consistency all equipment and tools used in the repair shops must be of the make and type stipulated by Volkswagen. Course participants are taught correct use of instruments and special tools (for use on the manufacturer's vehicles and supplied by the manufacturer through Autogerma SpA) as well as testing equipment.

The following courses are provided in technical subjects:

- Basic courses (electrics, mechanics, electronics, new products, etc.) lasting on average 5 days for apprentices, new employees and those lacking specific qualifications and skills
- Specialist courses for skilled staff lasting between 3 and 5 days.

In the Training Assistance Office the technical section comprises 8 staff: little use is made of outside consultants and professionals.

Training services activities:

Courses are arranged directly by Autogerma SpA on the instructions of the manufacturer, they take into account local conditions and proposals and requests from the nationwide network. Courses are also arranged on the basis of statistical surveys.

To cover new products and technical innovation the head office provides the necessary material and information.

Through the training service Autogerma SpA develops courses to introduce the new product or innovation throughout the country from the commercial point of view and to ensure the technical skills of staff involved in servicing and maintenance.

Autogerma organizes standard, modular courses at various levels which provide elementary and basic knowledge and skills in addition to more specialized courses for advanced skills.

The training organization draws up the curricula and decides on the courses necessary for each employee in order to guarantee the best technical and commercial preparation.

Technical and vocational training is managed directly by the instructor with the result that a progression is guaranteed.

b. Goldman-Cegos

This company, known today as Mercury Italia SpA, is a member of a group of companies comprising Cegos Fossa, Cegos Informatica, Cegos Consulenza, all of which have their head office in Paris, and Cegos Italia which is the parent company in Italy. The Cegos Group is structured in such as way as to guarantee continuing training to companies in technical, commercial, administrative and marketing areas.

It organizes courses at its own offices and, upon request, external courses in companies. In the latter case, the course is adapted to the customer's requirements.

c. Ipsoa "company school"

Ipsoa "company school" is a trademark of Infor Srl, a training company, founded in Milan in 1973, with offices in Largo Augusto.

Subsequently, Infor Srl started to provide training in legal aspects in the following areas: law, administration and taxation, and soon expanded on a national scale. The head office was later moved to Milanofiori, where it is currently based.

Another office, serving central and southern Italy, is located in Rome in the Piazza Venezia 5.

Ipsoa organizes a range of approximately 400 courses annually for companies and for the public sector in the following fields: administration and finance, auditing, taxation, law, human resource management, marketing, sales, information systems, production, management, company management and company communication.

These courses, which vary in duration, may be divided into three types:

- basic general,
- single subject,
- specialist.

They also provide a master craftsman course once a year which is of a very high level in addition to providing courses in public administration.

Ipsoa also offers several specially adapted courses upon request for the public and private sector.

Seminars, conventions and study days are also offered.

The Ipsoa trainers are generally specialized consultants, freelance trainers and businessmen.

In 1991, Ipsoa provided training courses for 10,000 people, 50% of which were in Milan or Rome.

4. Training policies adopted by the company

The company pays particular attention to training issues. In addition to a demand for continuing technical training in innovative areas in the sector (new technologies, new products, robotics, the use of diagnostic and repair equipment) there is a need for targeted training in customer relations, marketing and market research.

Identifying the employees to be sent on courses is the task of the company. Attendance is voluntary but it is clearly encouraged in that the acquisition of improved skills is clearly a key to promotion and to career progression within the company.

Staff at Di Viesto have attended courses organized by the manufacturer.

Technical staff have attended courses on electrics and electronics, mechanics and product technological innovation.

Sales staff have attended courses to improve customer relations, marketing courses focusing on product demonstration and courses on identifying customer needs and the correct use of the telephone in sales.

Employees have also attended computer courses and courses on resources management.

In 1993 the company will follow the Autogerma courses and will allocate a budget of 50 million lire for external training; these courses also cover customer relations (sales sector).

The purpose of training is to guarantee upgrading of technical, administrative and company management. The company also focuses on training as a key to offering the best possible service to the customer, to ensuring a professional approach and to establishing a trusting relationship with the customer.

Attendance at courses and training progression is recorded on data collection cards. Analysis of these cards show that the company interviewed has developed training significantly over the last few years.

Mr. Di Viesto is directly involved in managing training activities.

Technical training is also provided by Autogerma SpA of Verona and proposals are made for integrating courses which are considered to be of use.

Additional courses are selected by Mr. Di Viesto on the basis of the targets the company has set itself and current requirements. If new products are launched the company is informed through documentation, video cassettes and information cards and short courses given by Autogerma.

The swift pace of technological change, the increase in technical solutions and new products has given rise to the need for new structures better equipped to supply specialized up-to-date information on technologies, fault finding and elimination.

Through the social partners, trade unions and sector associations are involved in training although, at present, they play only a minor part. Their training provision is more important to independent repair shops than the others (dealers or authorized repair shops), as the latter can rely on training from the manufacturer.

Collective bargaining contracts are not negotiated in such a way as to make training compulsory.

Detailed data on training costs over recent years were not available.

With regard to costs, the courses provided by the manufacturer are free of charge with Di Viesto only being liable for travel and subsistence allowances for employees attending the courses.

As already mentioned, the company intends to extend and improve its training budget to make use of training courses offered by the manufacturer and other continuing training agencies.

5. Assessment of the training concept

The questionnaires were completed accurately but submitted by only 40% of the workforce.

The cards completed by the employees confirm that Di Viesto finds continuing training important.

Analysis of the cards completed show that since 1987 Di Viesto employees have, on average,

attended 3.5 courses each for an average of 20 hours.

One employee had attended 7 courses, 2 had attended 5 courses and the remainder had attended a number varying between 2 and 4.

The courses covered technical, administrative, accounting, and managerial subjects in addition to sales techniques, marketing, warehousing, company organization, new models, customer relations and behaviourial techniques.

The training offered was of a high quality and it is possible to predict that, in the near future, training will be further reinforced to optimize company management and ensure that innovation is part of the basic knowledge both from the technical point of view as well as from the perspective of company management, sales and customer relations.

In future the company intends to pay greater attention to the level of general education of recruits as new technologies require a broader basic knowledge, in particular of electronics and computer sciences.

6. Conclusions regarding continuing vocational training

The case study is a typical example of a company sensitive to the problems and the importance of training human resources.

Training is held to be a key company resource and staff are encouraged to attend frequently the training courses organized.

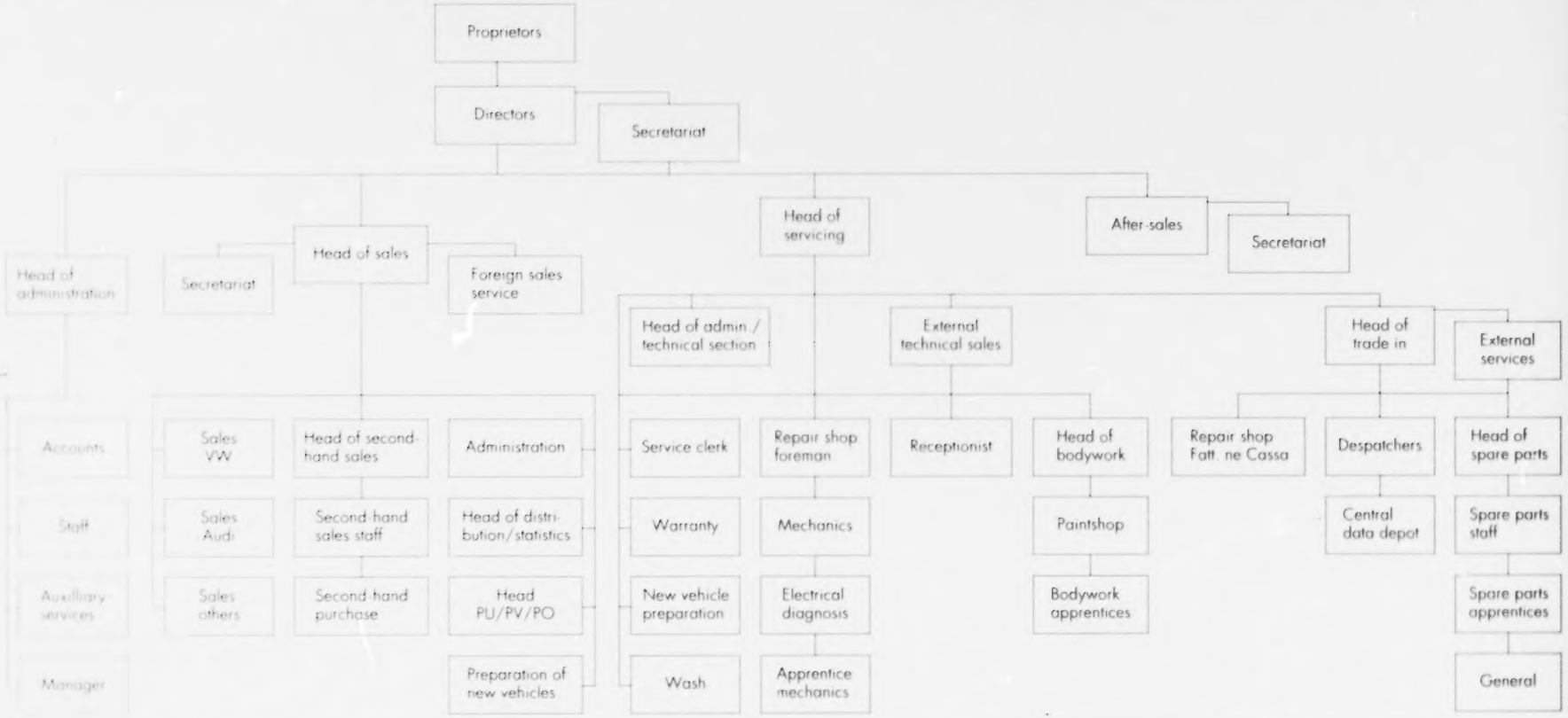
The fact that the company makes use of the training provided by the manufacturer but also of the services of specialized and prestigious training agencies testifies to the importance it attaches to training. The company is endeavouring to draw up a training budget which would be continually topped up.

The company is equally concerned that employees understand the importance of attending training courses and that training is seen as adding value to the company and to their careers.

The company under review, despite the lack of structured continuing training in Italy, has demonstrated its awareness and has identified and studied the training offer on the market. It attempts to involve employees in all sectors of the company in its training activities.

It can be concluded that the training activities in which the company participates are indicative of good company practice, bearing in mind the constraints already mentioned.

Organizational chart



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Data collection for employees continuing vocational training. Di Viesto

1. General Data

Surname and first name: Bianco Spino Francesco — Age: 34

Year of recruitment: 1980

Educational qualification: Secondary school-leaving certificate

Position: Mechanic

2. Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration (hours no.)	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Canopy specialization	Technology	18 9 91	8	8	4		8	Verona	Certificate
Bosch equipment	Technology	22 4 92	8	8	8		8	Verona	Certificate
Pneumatics	Technology	15 6 92	24	20	4		24	Verona	Certificate

Data collection for employees continuing vocational training. Di Viesto

1. General Data

Surname and first name: Folgiano Gianna Age: 31

Year of recruitment: 1990

Educational qualification: Commercial school certificate

Position: Employee

2. Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration (hours no.)	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Training course for head accountants	TVA MOD-760 MOD-770 Balance sheet and income statement – the new balance sheet	21/24 September 5/8 October	64						

Data collection for employees continuing vocational training. Di Viesto

1 General Data

Surname and first name: Tschudin Paula Age: 35

Year of recruitment: 1991

Educational qualification: Secondary school certificate

Position: Salesman

2 Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration (hours no.)	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Salesman		1987	8	8			8	ASTI	
Senior salesman		10.2.92	16	16			16	Verona	Certificate

Data collection for employees continuing vocational training. Di Viesto

1. General Data

Surname and first name: Airaldi Mauro — Age: 33

Year of recruitment: 1987

Educational qualification: Secondary school certificate

Position: Salesman

2. Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration (hours no.)	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Senior salesman	Sales	4/89	40	40			40	Verona	Certificate
Business organization	Organization	20.10.89	24	24			24	Turin	

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Data collection for employees continuing vocational training

Di Viesto

1 General Data

Surname and first name: Massara Luca — Age: 28

Year of recruitment: 1986

Educational qualification: Secondary school certificate

Position: Head of sales

2 Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration (hours no.)	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Senior salesman	Sales	10 4 87	40	40			40	Verona	Certificate
New European sales strategies	Sales	12 5 92	8	8			8	Milan	Certificate
Behavioural aspects of head of sales	Strategies	16 3 92	32	32			32	Milan	Certificate
Behavioural aspects of head of sales	Strategies	1 4 92	32	32			32	Milan	Certificate
Business organization	Organization	24 10 89	24	24			24	Turin	

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Data collection for employees continuing vocational training. Di Viesto

1 General Data

Surname and first name: Chirico Adriano Age: 37

Year of recruitment: 1978

Educational qualification: Secondary school certificate

Position: Head of spares department

2 Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration (hours no.)	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Basic course A	Spares	7 6 76	32	32			32	Verona	
Basic course B	Spares	4 4 77	24	24			24	Verona	
Special course C	Spares	4 12 78	24	24			24	Verona	
Salesman	Spares	3 4 79	16	16			16	Verona	
Salesman	Spares	7 11 83	24	24			24	Turin	
Logistics	Spares	12 2 90	8	8			8	Verona	
Spares management	Spares	2 3 92	24	24			24	Verona	
Sales	Spares	10-10 92	24	24			24	Turin	
Business organization	Organization	24 10 89	24	24			24	Turin	

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Data collection for employees continuing vocational training — Di Viesto

1. General Data

Surname and first name: Garolfalo Antonio — Age: 41

Year of recruitment: 1989

Educational qualification: Secondary school certificate

Position: Head of spares

2. Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration (hours no.)	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Updating course type B	Spares	31 5 89	24	24			24	Turin	Certificate
Updating rotation course	Spares	14 9 91	24	24			24	Turin	Certificate
Spares location	Spares	25 5 92	32	32			32	Verona	Certificate
Business organization	Organization	24 10 87	24	24			24	Turin	

Data collection for employees continuing vocational training. Di Viesto

1. General Data

Surname and first name: Favretto Ivana — Age: 33

Year of recruitment: 1987

Educational qualification: Commercial school diploma

Position: Accountant

2. Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration (hours no.)	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Accounts manager	Accountancy	15.11.90	32	16	16		32	Milan	Certificate
Balance sheet preparation	Accountancy	20.11.91	24	12	12		24	Milan	
Second hand car administration	Second hand car, tax and civil procedures	18.10.91	8	6	2		8	Verona	
Business organization	Organization	24.10.89	24	24			24	Turin	

Data collection for employees continuing vocational training. Di Vieste

1 General Data

Surname and first name: Cavallo Marisa — Age: 48

Year of recruitment: 1983

Educational qualification: Secondary school certificate

Position: Employee

2 Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration (hours no.)	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Accounts manager phase 1	Accountancy	13 6 85	24	16	8		24	Milan	
Accounts manager phase 2	Accountancy	28 6 85	24	16	8		24	Milan	
Company balance sheet	Accountancy	20 10 88	24	20	4		24	Milan	
Second-hand car administration	Second-hand cars, tax and civil procedures	18 10 91	8	6	2		8	Verona	
Putting the customer first	Marketing	15 10 91	8	8			8	Turin	
Business organization	Organization	24 10 88	24	24			24	Turin	

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Data collection for employees continuing vocational training

Di Viesto

1. General Data:

Surname and first name: Di Viesto Tamara Age: 26

Year of recruitment: 08.11.85

Educational qualification:

Position: Secretary

2. Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration (hours no.)	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Telephone sales	Approaching the customer by telephone	15.10.88	24	24			24	Milan	
Executive	Secretary	20.10.89	24	24			24	Milan	
Accounts manager phase 1	New balance sheet	21.9.92	32	32			32	Milan	
Accounts manager phase 2	IVA 760-770 New balance sheet	5.10.92	32	32			32		
Business organization	Organization	20.10.89	24	24			24	Turin	

Data collection for employees continuing vocational training. Di Viesto

1 General Data

Surname and first name: Sorrento Antonio Age: 33

Year of recruitment: 1979

Educational qualification: Commercial school certificate

Position: Sales manager

2 Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration (hours no.)	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Sales innovation and sales development	Marketing/psychology sales staff management	1987	40				40	Milan	Certificate of attendance of management training cycle
Sales management and organization	Aims/results personnel motivation	1987	40				40	Milan	
Sales forecast for 1989	Statistics elements/budgets	1988	40				40	Bologna	
Forecast and planning		1989	40				40	Milan	
Launching and developing new products	Marketing/distribution logistics	1990	10				10	Milan	
Senior commercial manager	Finance/business management techniques	1991	40				40	St Margherita Ligure	Attendance certificate
Business organization	Organization	24 10 89	24				24	Turin	

Data collection for employees continuing vocational training. Di Viesto

1 General Data

Surname and first name: Ormea Luciano Age: 31

Year of recruitment: 1981

Educational qualification: Senior High School Certificate

Position: Repair shop employee

2 Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration (hours no.)	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
After-sales service	Organization	5 9 92						Verona	Certificate
Getting on with people	Sales strategies	1 6 92	8	8				Turin	
Business organization	Organization	24 10 89	24	24				Turin	

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Data collection for employees continuing vocational training. Di Viesto

1 General Data

Surname and first name: Di Viesto Franco Age: 50

Year of recruitment:

Educational qualification:

Position: Director

2 Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration (hours no.)	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Business organization	Organization	24 10 89	24	24			24	Turin	
Management	Sales policy	10 88	16	16			16	Milan	
General management	General manager policies	25 10 90	24	24			24	Milan	

Data collection for employees continuing vocational training. Di Viesto

1. General Data

Surname and first name: Di Viesto Lino Age:

Year of recruitment:

Educational qualification:

Position: Director

2. Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration (hours no.)	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Business organization	Organization	24 10 89	24	24				Turin	
After sales service	After sales service internal coordination	25 4 90	8	8			8	Verona	
After sales service	Productivity	25 6 89	24	24			24	Verona	

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Data collection for employees continuing vocational training

Di Viesto

1. General Data

Surname and first name: Cuiuli Vincenzo — Age: 38

Year of recruitment: 1984

Educational qualification:

Position: Car electrical repairs

2. Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration (hours no.)	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Technical updating Bosch		20.4.91	24	24	8		24	Verona	Certificate
Electrical equipment	New models	20.10.92	24	24	8		16	Verona	Certificate

Data collection for employees continuing vocational training. Di Viesto

1. General Data

Surname and first name: Taverniti Antonio Age: 35

Year of recruitment: 1976

Educational qualification:

Position: Chief mechanic

2. Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration (hours no.)	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Business organization	Organization	24.10.89	24	24				Turin	
Putting the customer first	Customer	25.10.90	8	8			8	Turin	
Chief mechanic	Technology	15.4.90	16	8	8		16	Milan	
Technical innovation	New cars	15.5.91	14	16	8		14	Verona	

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3. DANILO REPAIR SHOP (CITROEN CAR DISTRIBUTOR)

2.

Size of company: III

Make: Citroen

Category of motor vehicle: A – B

Type of company: B

1. General description of the case study

The following case study is based on interviews in and descriptions of:

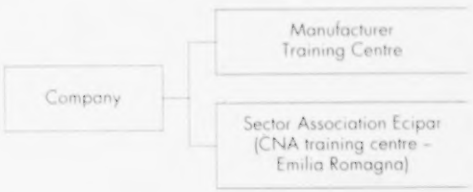
- The Danilo Repair shop

The interview with Mr. Cornati Danilo was conducted during normal working hours on the premises and lasted for some 3 hours. It was not possible to interview other employees as they were busy working.

- Citroen Italia: Italian branch of the French manufacturer

The data contained in this report is the result of a 2 1/2 hour interview in the Milan premises with the manager in charge of technical vocational training.

The following diagram shows the training structure:



2. General description of the company

The Danilo repair shop, owned by Mr. Cornati Danilo, is a typical small company run directly by the owner who manages both technical and administrative aspects.

The company is involved in electrical and mechanical car repairs. The owner is particularly interested in current technical innovation in the car sector, particularly in diagnostic equipment and equipment for vehicle maintenance and repair. He is of the opinion that skills upgrading is indispensable for modern management of the company and is a means of learning about technical innovation and company management as well as market analysis and investment policy.

Current vocational training is provided mainly by Citroen Italia as it is an authorized repair shop for that make of car; a small amount of training is provided by the sector association.

The company was set up in 1972 in a small repair shop in the old part of Bologna.

In 1984 it moved to a large company-owned installation on the outskirts. In 1989 it relocated again to its present site in an area of small businesses on the outskirts of the city and has an area of some 680 sq.m. in addition to 60 sq.m. of office space and 1,000 sq.m. of surrounding parking spaces and gardens.

Danilo has a staff of 6 composed of mechanics and administrative clerks and is thus classified as a type 2 business (between 5–9 employees).

The company is involved in servicing and repairing any type or make of car.

It is an authorized Citroen repair shop.

Danilo carries out mechanical, electrical and electronic repairs with fault finding, repair or component replacement operations, vehicle tuning, inspection and control.

The repair shop specializes in the following:

electrics, electronics, sound, optical devices, gearbox, electrical and electronic fuel injection and ignition, petrol and diesel engines, wheel balancing, brakes and braking systems, suspension, carburettor.

The company also undertakes bodywork, work on carburettors and tyres under an agreement with other companies operating in these areas.

Danilo is located in the southern outskirts of Bologna in an area comprised of small, commercial and trades businesses; the area is densely populated and easy to access.

The owner gave no indication of the company's economic position. He confirmed, however, that in spite of increasing management costs turnover is rising constantly.

Recent company history and development strategies

Over the past few years the company has sought to improve customer service. To this end it has increased investment in training. It offers 4 compact and family-sized cars which customers can use, free of charge, while their own vehicles are undergoing repair. The company has invested in new technologies and the number of employees has increased from 3 to 5.

Business has been good for the company.

The owner believes there is a constant need for at least minimum growth and for development strategies. This involves:

- continual technological adaption of the equipment;

- a modest increase in employees (max. 2 persons) to guarantee better use of the equipment and more rapid paying-off of the investment costs;
- improved work organization;
- increased turnover through increasing the clientele attracted by the quality and speed of services offered, developing outside arrangements to offer guaranteed services on bodywork, tyres, carburettor, etc.

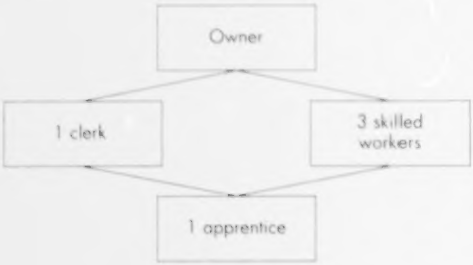
The company has no specific problem with new technologies in the sector as it has always been particularly attentive to innovation and the corresponding training.

In addition to repair work in the strictest sense of the word, demand is continually increasing for preventative maintenance. Today the car mechanic is required not only to repair the fault but to prevent faults and guarantee optimal running of the vehicle as a whole.

The greatest difficulty faced by the car repair mechanic at present is locating and diagnosing faults.

Structure of the company
The company is managed by the owner who has a master craftsman mechanics certificate which he obtained in 1966. He is assisted by 5 employees.

The company's structure is shown in the following organizational chart:



The owner is in charge of the technical and administrative sides of the business.

He welcomes customers and assigns work while evaluating problems relating to fault diagnosis and assists the employee in carrying out the work.

In his absence the technical duties are carried out by one of the two skilled workers who also assumes the duties of repair shop manager.

Administrative and taxation affairs are the responsibility of a professional consultant.

Human resources
There is a staff of five comprising 3 skilled workers, 1 apprentice and 1 clerk.

All the employees have a permanent contract. The average age is 21, the eldest being 30 and the youngest 17 (the apprentice). They are all of Italian nationality, 4 are male (80%), 1 clerk is female (20%).

Working hours, holidays, allowances and the wage structure are regulated by the national collective bargaining labour contract for the car repair sector and by the provisions of the regional labour contract.

The employees receive no additional benefits of any kind. There is no overtime.

All staff have completed compulsory education and none possess higher education certificates. In the past, recruitment was based on the skills the company required whereas today preference is given to recruits with particular technical knowledge. Career opportunities within the company depend on the employee's capabilities and the tasks carried out are in line with the provisions of the collective labour contract.

3. The provision of continuing vocational training

Continuing vocational training is provided in courses organized by:

a. the manufacturer (Citroen 80%)
b. the sector's association through its training body known as Ecipar (20%).

Citroen Italia SpA

General information
Citroen Italia with headquarters in Milan, Via Gattamelata 41 and with regional management in Rome, Via Tommaso d'Aquino 47, is a branch of the French-based manufacturer.

Citroen vehicles and supplies are marketed through this organization in Italy.

Citroen Italia is entrusted with the organization of the sales network through dealers, organizing repair shops in general, on the basis of information provided by the dealers and carrying out servicing operations on the manufacturer's vehicles covered by warranty.

Citroen Italia is also responsible for vocational training in the distribution and repair network when operations are started up and during operations to ensure competitiveness in the market in both sales and after-sales service.

In the following pages we shall examine the structure and methods adopted by Citroen's Italian branch in continuing vocational training.

2. General description of training activities

The training activities provided by Citroen cover two areas (commercial and technical):

a. Training in the commercial sector:

1.1 sales training
1.2 service training
1.3 spares parts training

b. Technical training

The technical training courses of type 1 are usually given in suitable external facilities (conference rooms) located near the regional management in Rome. The technical courses are held in Citroen Italia's schools in Milan or Rome, as they have the necessary equipment, including instruments and failure-simulation test benches, engine cross-sections and components for training purposes, in addition to work benches for practical tests.

Other technical courses are given on the dealers' premises and these may be attended by the dealer's employees and those of other repair shops.

These courses aim to teach the correct methods of failure diagnosis based on the information provided by the customer on the defect and using the equipment available.

In these courses a car is used which serves as a test bench for failure simulation.

The technical schools belonging to Citroen Italia are staffed by the interviewee, who is the manager, and 6 full-time instructors.

Little use is made of the services of external consultants and professionals.

The commercial training section comprises Mr. Lorenzo De Angelio, who is the manager, a secretary and 3 full-time instructors.

- Purposes of training

The various courses have the following objectives:

a. Commercial sector

In general:

- to provide basic information on running the dealership, paying attention to the human and technical aspects;
- to provide knowledge on sales techniques and work organization;
- to provide information on legislation on second-hand car sales;
- to provide information on advertising campaigns, commercial organization and sales programmes;
- to teach optimal use of telephone and telemarketing sales techniques.

In the "service" sector courses are provided for those who have most frequent contact with the customer and have the following aims:

- to make employees aware of the importance and role of the receptionist and of the repair shop manager and to teach the correct method of understanding the customer's expectations;
- to make employees aware of the importance and role of the secondary network (authorized repair shops) for the manufacturer's image;
- to teach repair shop organization and management, optimizing human resources, time and equipment;
- to teach the use of communications and management techniques.

b. Technical sector

Here, the courses have the following aims:

- to perfect professional skills in repair and maintenance through the study of how mechanical, hydraulic, electrical and electronic components work and assessment of the importance and role of components;
- to perfect skills in interpreting diagrams and using measurement and inspection devices;
- to demonstrate correct methods in failure diagnosis.

In this area special courses are also provided to familiarize participants with new technologies, new cars or alterations to existing models.

The aim is to inform employees about innovations in components, about new technical, mechanical and electronic solutions, performance rates and to provide instructions on correct diagnosis and on how to eliminate defects as well as how to use the equipment properly.

- Programmes, courses and training strategies

The course programmes, particularly technical courses, are developed on the basis of the proposals made by the manufacturer.

During planning and development the training service takes into account the particular needs of the area and the local labour market (e.g. mechanics are often skilled in mechanical parts but less in electronic components and in this case emphasis is placed on the latter).

Courses in the commercial sector are planned and developed directly by the training service.

On average, courses last no longer than one week. They are free of charge to employees and combine theory and practice.

Training materials used consist of technical instruction cards, diagrams and manuals, luminous blackboards and video cassettes.

Courses are given at a variety of levels. In addition to basis courses, providing the fundamental knowledge, there are specialized courses for which a knowledge of basic skills is a prerequisite.

In such courses priority is given to technical and mechanical staff and those coming into contact with the customer.

Citroen Italia's training strategy aims to train as many employees as possible within the network.

New dealers and newly authorized repair shops are obliged, by contract, to attend certain training courses.

Usually the courses are optional and participant selection is the responsibility of the dealers and authorized repair shops and emphasis is placed on a progressive learning process (with regard to curricula and skills of the personnel).
Citroen Italia also offers tailor-made training courses to meet specific needs in the network.

The training service takes into account the proposals made by the network in planning its activities as this is considered a key to their improvement.

- Conclusions regarding Citroen's continuing vocational training

On the basis of the answers given during the interview, it can be said that the training service is attentive to the needs of the sector and the market.

The flexibility of the solutions adopted, constant attention to sales and service networks, and the willingness to develop tailor-made courses are positive aspects.

The organization and the teaching aids for training are impressive.

Ecipar
Ecipar is a national vocational training body set up by the CNA (the National Trades Confederation); it has offices throughout the country at both regional and provincial level. The training body is well organized and has its own offices, equipment and trainers. The office in Emilia is known as Ecipar.

Ecipar provides training courses in cooperation with the sector associations of the CNA in the following subjects:

- technology;
- administration and management;
- sales and marketing.

Courses on average last 50 hours and have a balance of theory and practical lessons. The courses are given in the companies in the sector (repair shops)

4. Training policies adopted by the company
Training is considered indispensable in order to guarantee quality customer service although one cannot speak of a company training programme as such.

The aim is to provide customers with a speedy, safe and full assistance service (e.g. a car owned by the company is offered while repairs are being carried out) in view of the fact that the motor vehicle today is of primary importance both for work and family.

In the past the company has focused on technical training. It requires that employees attend courses in turn organized by Citroen Italia or, where useful, by Ecipar. The company intends to expand its training activities but in doing so must cope with the problem of staff absence from the repair shops.

The interviewee showed particular interest in vocational training in the technical field. The training offered by Citroen meets his expectations.

The training manager intends to develop more stringent training in future. The courses offered by the manufacturer must be more widely used and attention must be paid to the training offer on the local market.

Management of a car repair shop demands increasing technical, electrical and electronic knowledge among all the staff as it is essential that the employees work autonomously. Each employee should, therefore, be placed in the position to acquire knowledge of the subjects mentioned. This shows a need for frequent training to learn basic concepts and to progressively upgrade skills and keep pace with innovation in the field.

The owner acknowledges the need for more continuing training in administration and management in order to correctly control company running costs and to ensure more effective investment.

Since 1987 company employees have attended training courses given by the manufacturer and these courses were progressively more complex.

All company employees have the opportunity to attend continuing training courses held outside the working environment. Employees may consult

technical cards, leaflets and microfilms on the main types and makes of vehicles directly in the company.

The owner ensures that employees are kept up to date on new technologies and that the technical cards are updated.

Training involves all repair shop employees with the exception of administrative staff. One clerk may call upon the advice of an outside professional.

The courses attended by the employees of the Danilo repair shop are listed in the attached sheets.

Course attendance is not compulsory but encouraged as courses are held during working hours and costs are borne entirely by the company. There is no overall planning of training activities. Training responds to current needs and there is a tendency to have unskilled employees attend increasingly complex courses.

Training aims to provide the highest possible degree of technical skilling to all employees.

There have been no specific developments in the training sector since 1987 and training activities have remained constant on account of the offer provided by the manufacturer.

The acquisition of new knowledge enables the employee to carry out tasks which are increasingly complex and opens career opportunities (limited obviously by the size of the company so that no direct link can be ascertained between course participation and career progression).

The company strategy is to ensure that employees receive continuing technological skills upgrading.

Courses are designed for groups of workers and split into different levels of complexity.

Employees attending the courses are selected carefully according to the level of complexity of the course to ensure that participants progressively increase their skills and know-how.

The owner bears sole responsibility for the management of training activities within the company. Training courses are designed taking into account not only technological innovation in the area but proposals put forward by the employees on the basis of analysis of the company's requirements.

The repair shop can request and propose to the manufacturer's training service that a course be organized to meet its specific requirements. The manufacturer's training service may accept or reject such a proposal.

Employees must become familiar with a new product (car) launched on the market in order to offer maintenance and repair services.

New technologies call for increasingly specialized training on the new products and the new equipment. Learning how certain components work and how to use equipment can no longer be restricted to practical learning but requires a theoretical foundation.

The social partners, the trade unions and employer associations have, for some years, been analyzing the problem of training, encouraging access to courses and the upgrading of weaker groups and minorities in general to promote their integration in companies and to improve their working conditions.

Such matters are discussed during regular meetings at district level.

While the contracts presently in force make reference to the need to ensure worker training, they fail to propose tangible methods for achieving this.

There is no specific training budget and, thus, it is not possible to ascertain total training costs.

Costs are borne partly by the manufacturer and partly by the employer.

5. Assessment of the training concept

The data contained in the questionnaires is in summary form but is sufficient.

The sheets were completed by all repair shop employees with the exception of the apprentice.

These sheets reveal a particular need for training in areas such as electronics (all employees have attended such courses) and training on new models launched by the manufacturer.

Since 1987 Danilo employees have attended on average 2 courses each of a duration of 20 hours.

Employees have requested that they be informed earlier of innovations in the sector.

They believe that the repair shop needs a sound training programme.

On account of the clear increase in demand there will be a development in training offered in the future. To supplement the training offered by the manufacturers, external training bodies will appear on the market. Basic training is provided in the companies although there are efforts to identify external courses. Such courses cover technical subjects only.

6. Conclusions regarding continuing vocational training

The training provided for Danilo employees is in line with normal continuing training for small companies.

The owner is justified in expressing a need for more timely and frequent technical training to keep pace with technological innovation.

Importance is also attached by the owner to training in management and administration to guarantee a sounder base and control of costs and other factors.

The interviewee is aware of changes currently taking place in the sector and intends to take all initiatives to ensure that his company remains competitive.

To this end the company is examining more closely the training offered on the local market and by the sector associations.

The small size of the company highlights the constraints preventing more consistent and widespread continuing training activities. In the repair shop it is difficult to do without even one person and still guarantee a good service to the customers. Training costs, which may increase, could present a further problem.

Appropriate legislation and a good training offer on the market could provide a response to these problems (time, location and cost constraints) and could help to ensure that continuing training becomes more widespread in small companies.

Data collection for employees continuing vocational training. Danilo

1. General Data

Surname and first name: Piletti Luciano Age: 30

Year of recruitment: 1980

Educational qualification: Secondary school certificate

Position: Skilled worker

2. Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Citroen AZX	Technician (Mechanical engineering)	1990	20	17	3	–	20	Milan (Education training centre)	Certificate of attendance
XM	Technician (introduction to electronics)	1991	20	17	3	–	20	Milan (Education training centre)	Certificate of attendance
Basic electronics	1st level autotronics	1992	8	8	–	–	8	Bologna (Education Training Centre)	Certificate of attendance
Electronics	Technician (autotronics for injection equipment)	1.1.92	32	32	–	–	–	Bologna (hotel)	Certificate of attendance

Data collection for employees continuing vocational training

Danilo

1. General Data

Surname and first name: Liparini Alessandro — Age: 22

Year of recruitment:

Educational qualification: Secondary school certificate

Position: Skilled worker

2. Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Basic electronics	Technician	1992	8	8	–	–	8	Bologna (Education training centre)	Certificate of attendance
Electronics	Technician (autotronics for injection equipment)	1.11.92	32	32	–	–	–	Bologna (hotel)	Certificate of attendance

92

93

2.

Data collection for employees continuing vocational training. Danilo

1. General Data

Surname and first name: Laffei Elvis Age: 24

Year of recruitment:

Educational qualification: Secondary school education – professional course

Position: Skilled worker

2. Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Electronics	injection engines and electrical systems	1992	8	8	–	–	8	Bologna (Education training centre)	–
Electronics	Technician (autotronics for injection equipment)	1.11.92	32	32	–	–	–	Bologna (hotel)	Certificate of attendance

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Data collection for employees continuing vocational training. Danilo

1 General Data

Surname and first name: Bertarini Roberto Age: 30

Year of recruitment:

Educational qualification: Secondary school certificate

Position: Skilled worker

2 Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Alfa 75	Technician	9/90	30	30	–	–	–	Milan (Education training centre)	Certificate of attendance
Alfa 164	Technician	9/91	30	30	–	–	–	Milan (Education training centre)	Certificate of attendance
Electronics	Basic electronics	1992	16	16	–	–	–	Milan (Education training centre)	Certificate of attendance
Electronics	Technician (autotronics for injection equipment)	1.11.92	32	32	–	–	–	Bologna (hotel)	Certificate of attendance

4. RENAULT DEALER G. & G. PAGLINI SpA (RENAULT CAR DISTRIBUTOR)

2.

Size of company: I

Make: Renault

Category of motor vehicle: A

Type of company: D

1. General description of the case study
The following study is based on interviews in and descriptions of:

• The G. & G. Paglini dealership, part of the Renault distribution network in Italy.

The interview was conducted on 10.9.92. on the dealer's premises. The following people were interviewed over a period of some 3 hours:

- Giorgio Paglini, managing director
- Gilmo Paglini, chairman
- Marino Montalbetti, training manager

• The Italian branch of Renault, based in Rome, responsible for organizing and coordinating training for the entire distribution and service network for Renault in Italy.

In a 2-hour interview on Wednesday, 17 December, 1992, at the Renault Italia offices, Mr. Carmine Lunedi, manager of technical training, described in detail the training service and how it was organized. He gave details of operational structure, the goals pursued and the means of implementing training. In a short interview following this, Mrs. Geremia, manager of training services for the commercial sector, illustrated the general aims and content of the courses and their composition.

2. General description of the company
G. & G. Paglini SpA is a family-run company located in the suburbs of Busto Arsizio, in the borough of Olgiate Olona, a town in the Varese province, close to the motorway tollgate at Busto Arsizio, an industrial town near Milan.

The name and address of the company is:

G. & G. Paglini SpA, Via per Fagnano 36, Olgiate Olona (VA), Italy.
Telephone: 0331 631379, fax: 0331 322049.

The company is a dealer for Renault vehicles.

Renault are the only vehicles sold and for this make technical operations are also provided.

Regarding relations with the manufacturer, it is important to note that unlike in the past, when Renault encouraged its network to increase sales volumes, the current incentive schemes are based on sales volumes and on the results of customer surveys carried out by a specialized company (UNICAB in Rome).

The surveys are conducted in the commercial (sales and deliveries) and the service sectors.

They are telephone surveys.

As a means of evaluation, the average results of a group of some 10 dealers with similar characteristics are compared.

Quarterly figures highlight the strengths and weaknesses of each dealer as formulated in the interviews.

A scale is then drawn up for the 10 dealers and an average value ascertained. The incentive is granted if the dealer ranks above the mean value.

A similar procedure is used to evaluate the service sector.

•

G. & G. Paglini sell cars (93%) and commercial vehicles (vans 7%).

The company specializes in vehicle repair, tuning/replacement of the following components:

- electric, electronic, lighting, sound components
- automatic transmissions
- gear boxes
- petrol and diesel engines
- electronic ignition/fuel injection systems
- suspensions
- carburettors
- bodies

Recent history of the company and development strategies
The company was set up in 1964 and started off as a repair shop for Alfa Romeo cars.

It was owned and run by the managing director's parents. In the 1970s and over a period of 2 years, the Alfa Romeo commercial network also distributed Renault cars in Italy.

Following the breakdown in relations between Alfa Romeo and Renault around 1963, the Paglini repair shop became a Renault dealer in the Busto Arsizio area.

Sales in 1987 amounted to some 500 vehicles/year, doubling by 1991. It has expanded in terms of offices/premises with the addition of commercial premises for new and second-hand vehicles and a servicing centre.

The use of new technologies for vehicle production, the production of components and in diagnostics to identify and repair faults has played a fundamental role within the company

with regard to the need for training and skills upgrading for staff.

With regard to the repair shop, the need for skilled workers capable of working on the entire vehicle and not only on specific components is becoming increasingly evident.

In sales, emphasis is on customer relations, both at the time of sale and after sale.
The dealer's development strategies in the short and medium-term can be summarized as follows:

- maintaining the sales volume already achieved (1,000 vehicles/year in 1991);
- increasing turnover in servicing by attracting customers who currently use independent repair shops through highlighting the reliability and competence of the dealer's service centre and offering customers certain concessions (full 3-year guarantee service contracts rather than annual contracts and 3-year planned assistance contracts – Platinum).

Long-term strategies depend upon the manufacturer. If Renault decides to reduce the number of dealers (in the Busto Arsizio area there are 5 at present) their expansion would have to stop. Should Renault decide to increase the sales area then expansion would be possible.

Company structure
The organization charts 1, 2 and 3 show the company structure for the service division and the commercial division. A specialized department manages the dealer's computer services.

The technical servicing department is responsible for:

1. the management of a spare parts warehouse in respect of capital expenditure on spare parts and annual component turnover (lire 1.5 billion/year);
2. accepting vehicles and repair and maintenance on mechanical, electrical/electronic and lighting devices;
3. bodywork repairs including spraying.

Sales staff for both new and second-hand cars, advertising staff and administrative staff, responsible for administration of purchases and transfer of car ownership, are allocated to the commercial sector.

The dealer has 4 authorized repair shops.

The computer department is made up of the manager responsible for relations with the manufacturer to ensure that orders are transmitted; he is also in charge of relations with the 4 authorized repair shops and customers.

The organizational charts include job descriptions and a list of duties.

Obviously, higher company functions (planning, budget, etc.) are the direct responsibility of the managing director and the chairman.

Although a great deal of importance is attached to training, the training manager also has other duties (customer relations, coordination of servicing departments).

Such an accumulation of duties is common in small and medium-sized companies.

Human resources
The company has 31 employees with the following duties:

12 service and sales staff
5 distribution staff
3 spares warehouse staff
3 vehicle repair mechanics
5 administrative clerks
3 commercial staff

The company falls within the category for 20–40 employees (type 4).

The rise in sales and commercial and servicing activities has led the dealer to increase the number of employees from 20 to 31 between 1981 and 1991.

The average age of employees is 35, the maximum 56 (2 workers) and the minimum 20.

Most are male (70%), all are of Italian nationality (with the exception of one member of staff from Ghana), all (with the exception of 2) are employed on a full-time basis and there is 1 external consultant.

The working conditions for the employees are covered by the national contract for the commercial sector which envisages 40 working hours per week, 10% overtime, 35 days paid holiday. The contract also determines the salary structure.

Employees receive no additional benefits or supplementary contracts.

With regard to recruitment procedure, certificates awarded by vocational training institutes are not recognized. 50% of employees (mechanics, warehouse staff) hold the intermediate school-leaving certificate and 50% (clerks) possess a secondary school-leaving certificate.

Career prospects depend on the dealer's needs and the skills of the employees.

3. The provision of continuing vocational training

Training for G. & G. Paglini is provided by both Renault, mainly of the technical type, and by private training organizations (mainly for sales and management). Renault Italia's training structure and activities in continuing training for the dealer network are described below.

Renault Italia

General remarks

Renault Italia SpA, with headquarters in Rome, Via Tiburtina 1159, is the Italian importer of vehicles manufactured by Renault in France.

The main task of the company is organization of the marketing and service network for Renault vehicles.

Renault Italia SpA believes that ensuring a high level of continuing vocational training for the network of dealers and authorized repair shops is of fundamental importance.

General description of the training service

Renault Italia SpA provides training activities in 2 main sectors:

- the commercial sector
- general training

a. Training in the commercial sector

In this context it is not possible to go into detail because of the limited amount of information provided in the short interview.

Currently, courses for the commercial network are held by outside training and professional bodies under agreements with Renault, directly at headquarters and in conference facilities in the various areas.

The following courses are provided:

- managerial courses for dealers with the aim of teaching methods for analysis of resources and territorial needs;
- financial and administrative management of the dealership;
- training for sales staff or sales managers in subjects including customer identification, and customer relations before and after-sales.

The training activities offered in this sector, in the past well-structured and provided by in-house trainers, are now being reorganized.

b. General technical training

Mr. Carmine Lunedi, responsible for planning and organizing courses, is in charge of technical training.

His tasks are:

- to maintain contact with the French manufacturer in order to remain informed about training guidelines:
- to organize courses, bearing in mind the Italian market;
- to identify areas of particular interest to the network;
- to draw up statistics and training programmes;
- to keep in contact with the Renault branches and the head office.

The technical training activities are in 3 locations:

- at headquarters in Rome with 6 trainers;
- at a branch in Naples with 2 trainers;
- at a second branch at San Colombano al Lambro with 3 trainers and a branch manager.

The following courses are part of technical training:

1. Basic technical courses for all operators who must have specific knowledge of the product, systems, materials and spare parts.

The basic subjects in these courses are:

- mechanics, electrics, electronics, ABS, new models and innovative technology introduced in the products,
- bodywork.

2. Courses in spare part management, subdivided into basic courses for dealerships and courses for spare part managers (dealing with subjects such as the study of the territory, demand analysis, marketing, warehouse organization and management, sales, etc.).

The courses for spare part managers are held only at the San Colombano al Lambro branch as the specific training unit is located there as part of the National Spares Centre (or Renault Spares Italian Warehouse).

This department makes it possible to acquire practical skills in order management, despatch, packaging, etc.

3. Courses for technical coordinators. This career profile is considered fundamental to good repair shop management and for maintaining links with the Renault Italia training department. The technical coordinator has good technical training and is capable of solving complex problems in servicing, repair and maintenance.

A special 6-week course is provided for technical coordinators and is held only in Rome, where the course is limited to 8 participants.

It includes the following:

- a 3-week course on electrics,
- 1 week devoted to car design (front and rear axle),
- 1 week devoted to ABS,
- 1 week devoted to pollution issues and the turbo system,
- 1 week devoted to carburettor and fuel injection systems,
- 1 week on diesel engines and air conditioning,
- 1 week devoted to communication where training is provided by an external training body.

Rome is chosen as the only location for this course to enable operators for different areas and companies to meet and encourage the exchange of experiences, thus establishing links between the technical coordinators.

To further encourage this, during the annual updating courses, which last for one week and are also held in Rome, participants within the courses are replaced and the groups changed.

4. Bodywork courses for dealers and authorized repair shops comprising subjects such as correct assembly and dismantling of the car, the evolution of car paints, new materials (polyesters and fibres), air and water tightness.

5. Behaviourial type courses for repair shop supervisors, spare parts managers, heads of servicing, receptionists, i.e. those who come into direct contact with the customer.

The purpose of such courses is to highlight the importance of customer relations and to create synergy between the repair shop manager and the spare parts manager in handling orders between the repair shop and store, in order to carry out maintenance work efficiently and in the shortest possible time.

Planning and organization of the courses is not laid down by the French parent company, but it provides orientation and guidance.

The training department of Renault Italia SpA is in constant contact with its technical coordinators, who advise them of their particular training needs as do the 8 regional branches of Renault Italia SpA.

In formulating training programmes, the training department takes due account of the needs although generally the department is capable of anticipating the networks' needs.

The courses comprise both theory and practical elements.

A large amount of practical training involves locating different faults, repairing breakdowns, correct dismantling and reassembly of the engine and its components and the use of the electronic equipment available in the repair shops with the aid of technical benches.

The course participants are selected by the central department.

An information sheet has been drawn up for each Renault employee containing information on the employee's level of occupational skills and his training requirements.

Course attendance is mandatory but is clearly essential to ensure continuity in relations between the head company and branches.

To encourage attendance, costs for courses are borne by Renault Italia SpA, whereas miscellaneous overheads are borne by the dealers and authorized repair shops.

4. Training policies adopted by the company

With regard to repair shops, training within G. & G. Paglini is aimed at keeping workers updated on new models that have been launched and on product and component innovation (electronics, ABS, turbo systems, etc.).

Repair shop employees are trained and placed in contact, on a rotational basis, with the new technologies gradually introduced into the repair shop so that updating takes place within the company and not only on external courses.

The technical coordinator plays a fundamental role, attends all the courses organized by the manufacturer when models and model and product innovations are launched. He subsequently trains the dealer's technicians himself (through internal courses and/or on-the-job training).

There has been a quantitative and qualitative leap forward in training since 1987 in terms of employee participation in external technical and sales courses and in those given by the technical coordinator.

2.

Continuing training focuses on:

- technological innovation (87%);
- product and model changes (15%);
- training dictated by changes in legislation (2%);
- product and/or service quality (5%).

The increased importance of vocational training in the last 5 years may be attributed to the following factors:

- the increasing importance of product quality;
- greater stress on service quality (sales, technical assistance);
- the introduction of new devices on the product (ABS, electronic injection/ignition, anti pollution devices, active suspensions).

Training encompasses:

- management (3%);
- sales (10%);
- technical issues (87%)

with an annual average of 6–10 days training for each employee.

The questionnaires completed by G. & G. Paglini employees are attached.

The following general conclusions may be drawn from the data contained in the questionnaires, which were completed by 11 employees (30% of the total).

In Italy there is no national certification system for continuing vocational training courses, whether organized by the manufacturer or private or public training organizations. For this reason the column "certificate attained" has not been completed.

The most important conclusions that can be drawn from the analysis of the questionnaires are:

- 3 repair shop mechanics have attended a limited number of courses given by Renault Italia;
- 1 repair shop manager has attended more Renault courses than the other technical employees.

The average duration of courses is 2–3 days.

The questionnaires do not contain descriptions of job training and skills upgrading activities conducted internally by the technical coordinator; such courses cover the areas in which the manufacturer provides training for the various categories of employees.

- 1 administration manager has attended many external courses organized by private training organizations on budgeting, computer technology, administration, accounting, etc.

- 4 sales and marketing employees have followed a large number of courses on sales techniques and marketing. The basic courses were held in the dealership and the more specialized courses were given in private training organizations or by Renault Italia.

- 1 customer service manager has attended Renault courses, lasting on average 4–5 days.

- 1 spares warehouse manager has attended a limited number of theoretical courses given by Renault.

Courses are mandatory and held during working hours. All employees have attended courses in line with their duties. A basic sales course is given in the dealership and there are opportunities to attend more advanced external courses.

Technical courses are given by the technical coordinator for product innovation and participants comprise new employees and employees changing tasks within the company.

Attendance at such courses is important for career prospects.

The manager responsible for customer relations, servicing and training acquired his current position through continuing training courses.

The dealer encourages his employees to attend courses to build upon their skills and knowledge.

There are no specific courses for women, ethnic minorities or the handicapped.

The aims of the dealer with regard to continuing training are as follows:

- to follow the manufacturer's courses on product innovation and new vehicle launches;
- to increase attendance at sales courses given by external organizations;
- to train new employees who have no experience;
- to train current employees in technical areas allowing them to rotate jobs in the company.

In future the company intends to:

- carefully assess the external courses offered by companies to select the most suitable ones (sales courses);
- to increase the number of courses, particularly technical courses, for employees in the 4 authorized repair shops linked to the dealer.

Table 4 contains the tasks/activities and shows the internal structure of continuing vocational training. Compared with 5 years ago, when training was rudimentary and lacked structure, the quality and numbe: of courses attended by employees has increased.

For sales courses the dealer makes use of the services of an external company (Head Hunters). They provide 3-hour evening courses over 5 days where sales, behaviourial and psychological techniques are taught.

Video tapes of the technical coordinator are frequently used for technical training.

The courses are chosen by the managing director and chairman jointly with the trai ing manager.

The dealer image with regard to training has been enhanced in the eyes of Renault, who renew the dealer contract annually, and the customer.

Union representatives and regulations on collective bargaining contracts do not exist within the dealership. The same applies to sector associations.

Only the dealer decides upon continuing vocational training issues.

For the period 1987 to 1991 the dealer estimates training costs to have been around lire 70 million.

For the courses organized by Renault the dealer must only cover the cost of travel and subsistence as costs for course participation are borne by the manufacturer.

Courses given by private organizations in sales and marketing techniques are at the dealer's expense.

5. Assessment of the training concept

In this case study the technical coordinator plays a fundamental role in updating employees and ensuring job rotation among mechanics in the company thus avoiding long periods of absence for course attendance.

In this way, one of the major hurdles to employees attending external courses has been overcome.

The technical coordinator ensures that internal and on-the-job training is provided.

Such a training model could be transposed on other companies of a similar size and characteristics.

Technical courses organized by the manufacturer seem to satisfy the training and skills upgrading needs of G. & G. Paglini. There is a trend to train employees to enable them to undertake a wide range of diagnostic and repair operations. Specialization is disappearing and training carried out within the dealership would seem to follow this strategy.

With regard to sales and marketing courses, the dealer makes use of courses organized by Renault and those organized by private organizations, the latter being more expensive for the dealer.

6. Conclusions regarding continuing vocational training

The 3 individuals interviewed in the dealership expressed satisfaction with the effects of continuing training. They intend to increase the number of courses attended by employees as they consider generally trained staff to be of little use even for small companies.

The interviewer was impressed by the frankness of the interviewees and their willingness to provide the information requested and to discuss continuing training issues. The dealer makes considerable use of continuing training.

The transferability of the experience acquired in training by this dealer to other Renault dealers would seem evident.

With regard to external sales courses, such packages could easily be created for dealers of other car makes.

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Table 1 – G. & G. Paglini SpA – Service office

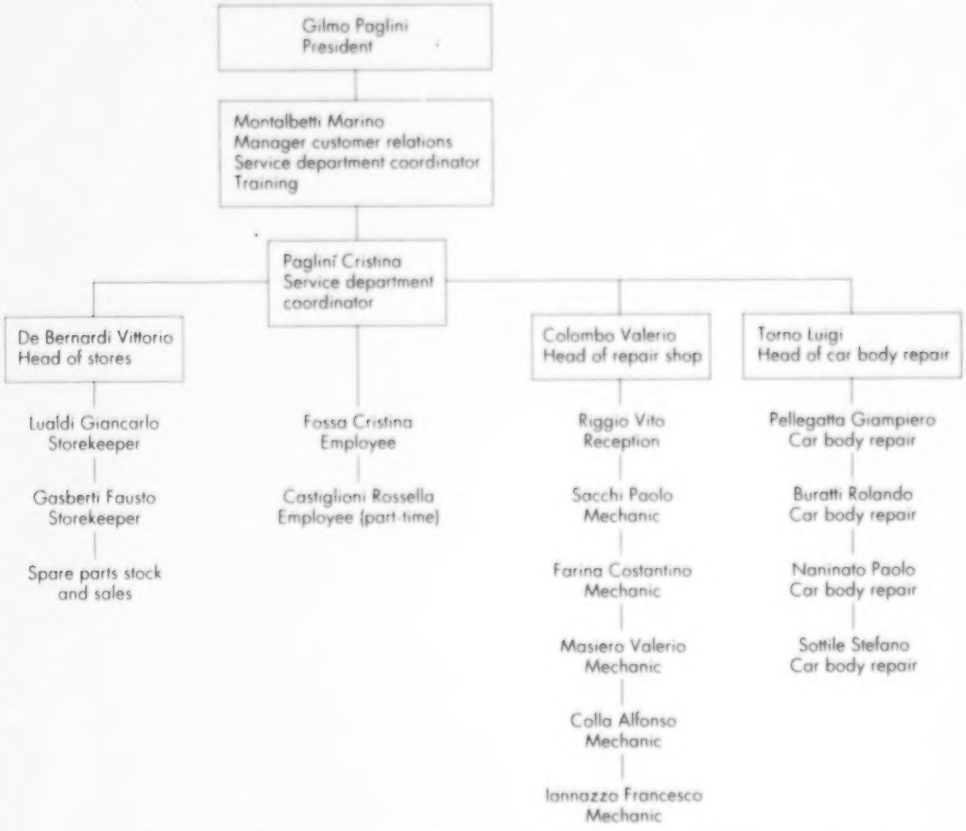
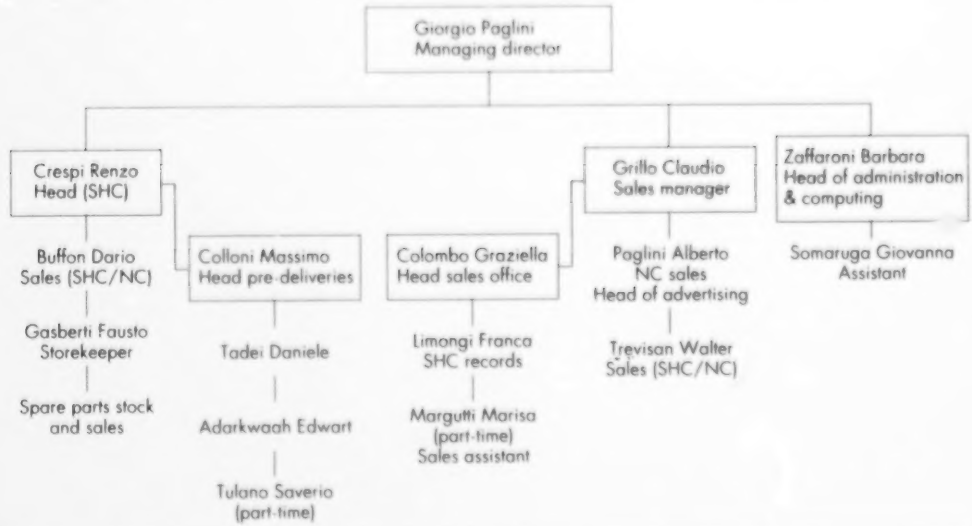
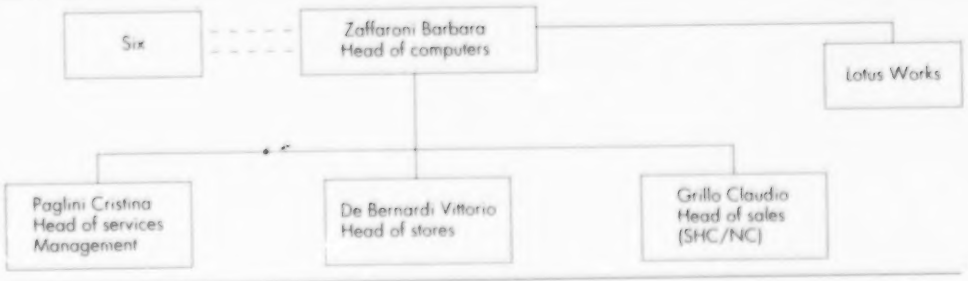


Table 2 – Flow Chart, G. & G. Paglini SpA – Sales office



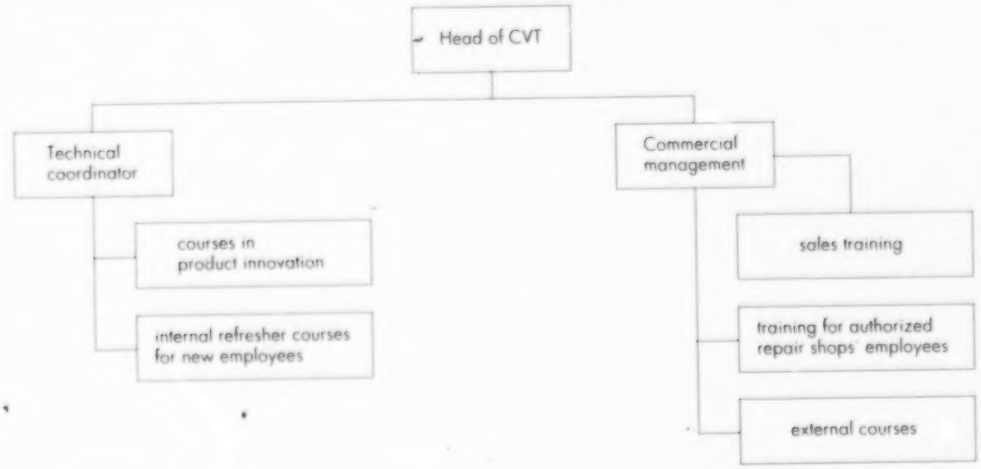
SHC: second-hand cars
NC: new cars

Table 3 – Computer Department



SHC: second-hand cars
NC: new cars

Table 4 – Continuing vocational training Organizational chart – Distributor G. & G. Paglini



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Data collection for employees continuing vocational training. G. & G. Paglini

1 General Data

Surname and first name: Buffon Dario Age: 30

Year of recruitment:

Educational qualification: Secondary school certificate

Position: Salesman

2 Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Basic sales course	Fundamental principles of sales	5/91	36	-	-	-	36	Milan (Renault)	
Sales updating	Evolution of methods	5/92	-	-	-	60	-		

Data collection for employees continuing vocational training

G. & G. Paglini

1. General Data

Surname and first name: Trevisan Valter — Age: 30

Year of recruitment: 1990

Educational qualification: Degree in electronics and Cobol programmer

Position: VN/VO sales assistant

2. Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Basic sales course								(Renault)	
Supplementary sales course	Sales techniques advanced course	–	24	–	–	–	–	(Renault)	
Product sales course								(Renault)	
Telephone contact								(Renault)	
Head Hunter sales course		–	20	–	–	–	–	(Education training centre)	
Updating course	Methods evolution	–	60	60	–	60	–	–	

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Data collection for employees continuing vocational training. G. & G. Paglini

1. General Data

Surname and first name: Paglini Cristina Age: 26

Year of recruitment: 1986

Educational qualification: Tour operator certificate

Position: Coordinator of service departments

2. Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Master Delfini I	Car market, second-hand cars, servicing, sales, communication, human resources, management, computer science, economic/ financial management and commercial planning	13 2 89	80	64	16	–	80	Rome (Renault)	
Master Delfini II	Marketing, second-hand cars, servicing, management, human resources, management, leadership and leadership styles, meetings management	4/90	40	30	10	–	40	Rome (Renault)	
Customer priority	Marketing, service, interpersonal relations and management of interrelations and transaction clash	4/91	16	12	4	–	16	Milan (Renault)	
Specialist	Organizational aims, business iceberg, the role inside the company interfunctionality among different roles to ensure coherence of the organization and management instruments	22 5 92	16	12	4	–	16	Salo (Renault)	

Data collection for employees continuing vocational training.

G. & G. Paglini

1. General Data

Surname and first name: De Bernardi Vittorio — Age: 45

Year of recruitment: 1980

Educational qualification: Mechanical designer

Position: Head of warehouse

2. Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Management and organization of warehouse	Warehouse management	1980	40	40	–	–	40	San Colombano Al Lambro (Renault)	
Marketing organization management	Penetration Renault and car market penetration in service spare parts policy	1986	40	40	–	–	40	Milan (Renault)	
Upgrading skills of warehouse manager	Practical operational approach to market problems	1987	8	8	–	–	8	Milan (Renault)	
Customer-priority	Marketing service penetration, interpersonal relationships and management of interfunctionality and transaction clash	4/91	16	12	4	–	16	Milan (Renault)	

Data collection for employees continuing vocational training. G & G Paglini

1 General Data

Surname and first name: Torno Gianluigi — Age: 48

Year of recruitment: 1974

Educational qualification: Primary school certificate

Position: Head of bodyshop

2 Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Approach to bodyshop skills	General	28.3.75	30	15	15	–	30	Rome (Renault)	
Waterproofing	Water infiltration	11.11.90	15	7.5	7.5	–	15	Bologna (Renault)	
Repair	General	26.11.82	15	10	5	–	15	Turin (Renault)	
Polyester	Fibreglass for "Espace"	1985	18	9	9	–	18	Turin (Renault)	
Colorimetry	Testing paints with colorimetry	2.3.89	20	10	10	–	20	Turin (Renault)	
"Espace" and "Safrane"	Fibreglass innovations	3.6.92	20	10	10	–	20	Bologna (Renault)	

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Data collection for employees continuing vocational training.

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1. General Data

Surname and first name: Colombo Valerio — Age: 37

Year of recruitment: 1989

Educational qualification: Secondary school certificate

Position: Chief repair mechanic

2. Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
AEI Renix specialization	Injection	14 11 89	8	–	8	–	–	Rome (Renault)	
IN.ER "R"	Injection	16 11 89	8	–		–	–	Milan (Renault)	
Renault "Clio" and 16 valves	Complete	12 9 90	16	8	8	–	–	Milan (Renault)	
"Espace"	Air conditioning	20 6 90	16	–	16	–	–	Rome (Renault)	
Technical co-ordinator	Comprehensive training	1990	320	100	220	–	–	Rome (Renault)	
Customer priority	Marketing, service penetration, interpersonal relations, conflict management, interfunctionality and transaction	4/91	16	12	4	–	–	Milan (Renault)	
"Safrane"	Electrical components	6 4 92	12	–	13	–	–	Rome (Renault)	

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Data collection for employees continuing vocational training.

1. General Data:

Surname and first name: Zaffaroni Barbara — Age: 27

Year of recruitment: 1986

Educational qualification: Commercial school certificate

Position: Head accountant

2. Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Management training	Head accountant functions, income statement: what it is and S.P. links, introduction to sector accounting, account sheets, practical exercises, balance sheet practice	24/25/26 Oct. 1989	18	10	8	-	18	Milan (Renault)	
Special training course IBM for operator DMS on AS/400	AS/400 system	26/27 Mar. 1992	12	8	4	-	12	Milan (Renault)	
Balance sheet according to EEC instructions	Reform aim according to EEC instructions, comparison with other European countries, basic principles of the balance sheet	19.3.92	2	2	-	-	2	Busto Arsizio (Education training centre)	
Balance sheet drawing-up	assessment, criteria, balance sheet scheme integrative note								

Training course title	Course contents	Commencement date	Overall duration	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Repair shop: balance sheet according to EEC instructions	Balance sheet IV directive and balance sheet analysis as management instrument consolidated balance and simplified balance	9.4.92	2	2	-	-	2	Busto Arsizio (Education training centre)	
Relationship between bank/enterprise – short-term financing	Economic and financial sides of business management, floating capital, financial needs calculation, the concept of leverage	4/5 Nov 1992	16	12	4	-	16	Gallarate (Industrial union)	
Planning	Short-term financial planning, treasury budget. Floating capital financing short bank credit, supplier credit, examination and comparison of the costing factors of short-term instruments, financial and servicing components. Banking transparency								

Data collection for employees continuing vocational training. G. & G. Paglini

1. General Data

Surname and first name: Pellegatta Giampiero — Age: 30

Year of recruitment: 1977

Educational qualification: Secondary school certificate

Position: Car body repair mechanic/assembler

2. Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Waterproof	Water infiltration	6.12.85	15	8	7	-	15	Turin (Renault)	
Waterproof	Water infiltration	4.4.89	15	8	7	-	15	Turin (Renault)	

Data collection for employees continuing vocational training. G. & G. Paglini

1. General Data

Surname and first name: Paglini Alberto — Age: 28

Year of recruitment: 1982

Educational qualification: Degree in Mathematics

Position: Salesman

2. Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Defini I	Marketing organizational structures	1986	15 days	–	–	–	–	Rome (Renault)	
Defini II	V.O. market study	1987	7 days	–	–	–	–	Rome (Renault)	
Defini III	Total quality	1988	10 days	–	–	–	–	Paris (Renault)	
Defini America	Group dynamics	1992	10 days	–	–	–	–	America (Renault)	
Telephone contact		1989	1 day	–	–	–	–	Milan (Renault)	
Marketing		1989	1 day	–	–	–	–	Milan (Renault)	
Iceberg and others		1992	2 days	–	–	–	–	Milan (Renault)	

Data collection for employees continuing vocational training. G. & G. Paglini

1. General Data

Surname and first name: Grillo Claudio — Age: 34

Year of recruitment: 1978

Educational qualification: Expert

Position: Sales manager

2. Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Refresher course	Advanced sales techniques	-	24	18	6	-	24	Milan (Renault)	
Large fleets	Sales techniques for large fleets	-	36	20	16	-	36	Milan (Renault)	
Meetings management	How to organize a meeting	-	16	16	-	-	16	Busto Arsizio (Education training centre)	
Nonverbal communication	Gestures interpretation	-	16	16	-	-	16	Busto Arsizio (Education training centre)	

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Data collection for employees continuing vocational training.

G & G Paglini

1. General Data

Surname and first name: Naninato Paolo — Age: 24

Year of recruitment: 1990

Educational qualification: Secondary school certificate

Position: Painter

2. Course attendance (1987-1992)

Training course title	Course contents	Commencement date	Overall duration	Methods		Course location and type			Certificate awarded (level attained)
				Theoretical lessons (hours no.)	Practical activities (hours no.)	Inside company (hours no.)	Outside company (hours no.)	Outside company (place)	
Colorimetry	Paints correction study	10.2.92	30	15	15	–	30	Bologna (Renault)	

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5. BETTONICA & GARGAN SRL (FIAT CAR DISTRIBUTOR)

2.

Size of Company: IV

Make: Fiat

Category of motor vehicle: A – B

Type of company: B

1. General description of the case study

The following case study is based on interviews in and descriptions of:

- Bettonica and Gargan (Fiat dealer)

The interview was conducted in the company offices during opening hours.

During the interview, which lasted 2 1/2 hours, the managing director of the company outlined the company's development, its current structure and organizations, its future plans and current achievements in vocational training and future prospects.

- Fiat training centre for the dealer network and authorized repair shops

This section on the Fiat customer service training centre was drawn up on the basis of information collected during 2 interviews arranged by Dr. Oglietti (Manager for Development and Training in Fiat Auto marketing and commercial section).

The first interview was conducted on 11.1.93 at FAMI (Fiat Auto Marketing Institute) in None (11 km from Turin); the director of FAMI, Dr. Fava, Dr. Boella (manager of FAMI programmes and activities), Dr. Nicodemo (manager of Fiat Isvor European projects) and Dr. Oglietti were present.

The second interview was at Fiat Auto After-sales Management on 12.1.92 in Corso Giambone 33, Turin. The director of after-sales service, Mr. Predieri, Mr. Borsarini (director of training and diagnosis systems), Dr. Nicodemo and Dr. Oglietto were present.

2. General description of the company

Bettonica and Gargan srl is based in Bollate, Via Republica 41, a typical town in the Milan area, easily accessible from both Turin and Milan by motorway.
The company is a Fiat dealer and has a modern, well-equipped repair shop which Fiat considers to be of excellent quality.
Bettonica and Gargan has a capital stock of lire 400 million.
They sell new Fiat vehicles and second-hand vehicles of any make.

The service and repair shop carries out tyre, electrical, mechanical and bodywork repairs. The service section can guarantee work on any type of vehicle or component be it of a mechanical, electrical, electronic or bodywork type.

The repair shop is equipped with modern equipment for the diagnosis and repair of any car or model within the Fiat range.

The company currently employs 38 staff.

9 are employed in the commercial sector, 21 in servicing and repair, 5 in after-sales service (upon sale of a new or second-and car the employee carries out all the operations necessary before the vehicle is delivered to the customer such as technical check to ensure that the vehicle is roadworthy, registration and changing ownership papers), 1 employee in telemarketing (telephone contact with customers and identifying new customers), 2 staff are involved in accounting.

Average turnover of the company is lire 25 billion annually. Sales and turnover mirror general trends in the car market and, in particular, the market for Italian cars.

The dealer sold 1,600 new vehicles in 1987, 2,100 in 1989 and 1,800 in the current year.

Recent history and development strategy

The company was set up in 1962 and at that time was a Fiat agent. In 1968 the company moved to its current premises which has 5,500 sq.m. of uncovered space and 4,000 sq.m. of covered buildings.

Due to space constraints the company has not been able to increase customers for repair work. It aims to offer its services to the dealer's customers rather than attract new customers.

The company aims to increase sales by offering a top-quality product, competitive in price, requiring little maintenance and which can be repaired quickly and for which a comprehensive after-sales service exists.

There is a need to guarantee the customer skilled servicing by staff capable of working on any part or component of the vehicle from axle to tyres, bodywork, mechanical, electrical or electronic parts, checking exhaust fumes and noise levels.

In order to do so, vocational training is crucial.

It is the key to the knowledge base required for new technologies (safety, comfort, quality products and their innovations; technologies aimed at reducing noise and environmental pollution are particularly important and require that the repair shop possesses instruments capable of diagnosing faults and repairing them), advanced marketing and customer relation techniques, new means of product presentation and service as well as

customer identification and company management.

Structure of the company
The company is managed by the director who personally supervises the dealership's commercial and financial progress.

Tasks and duties are allocated per sector:

- commercial management is controlled by the commercial director with a staff of 8;
- after-sales service in both new and second-hand vehicles, and part sales which is managed by a planning coordinator.

  He is responsible for work scheduling before the vehicle is delivered, vehicle preparation, registration and ownership change, supervising payment and money transfers. The planning coordinator is responsible for orders to maintain the available vehicle fleet. He has 4 staff including 3 women, 1 with a part-time contract, who are in contact with Fiat (end of month sales targets, advertising campaigns, incentives, etc.).
- the accounting sector handles the administrative, accounting and taxation section; 2 employees make use of the services of an external consultant;
- the repair shop section is the responsibility of the service manager who organizes bodywork, repair work, spares. He is in direct contact with the customer using the repair shop.

Human resources
The average age of the 38 employees is 37 years. 17% have a primary school education and 60% have a secondary school-leaving certificate, the remaining 23% have a more advanced qualification.

Some 60% of the employees are involved in repair shop duties (repair and/or preparation of the vehicle), 37% have office or sales duties (sales manager, secretary, 7 sales staff, telephone switchboard, employees) and there are 2 stores employees.

All staff are of Italian nationality, 3 are women, the remainder being full-time employed males (with the exception of 1 part-time employee).

This staff structure is indicative of the sector as a whole as already mentioned in the general report.

Employment conditions are regulated by the national collective contract for sales in terms of salary, duties and working hours. There are no company benefits.

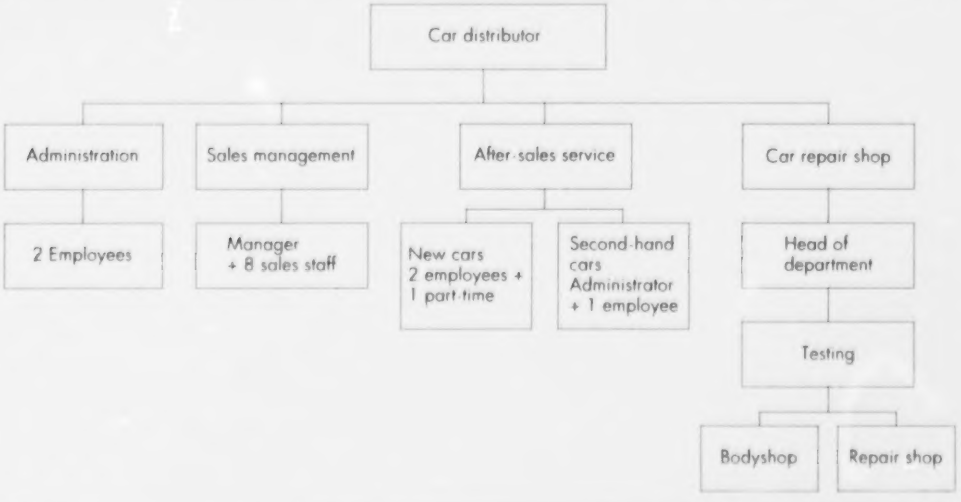
Recruitment of employees is the responsibility of the director.

Usually selection takes place on the basis of an interview with the candidates to ensure that they meet the necessary requirements. During this interview both school qualifications and previous work experience are taken into account.

The labour market does not seem to contain a high number of unemployed interested in working in this sector.

Young people entering this sector usually have sufficient schooling but lack practical experience or an apprenticeship.

Organizational chart



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3. The provision of continuing vocational training

The dealer benefits from the courses offered by Fiat which are considered to satisfy his needs fully both for training in sales and in servicing.

A description of the training/skills upgrading system offered by Fiat Auto is described below.

General remarks

The Fiat training service for the dealer network and authorized repair shops has two departments offering different courses.

a. *FAMI*
b. *Technical training centre for the network, forming part of the Fiat after-sales management department.*

The first department provides training in sales and marketing techniques for the network, the second providing training in technical areas linked to product innovation or the launching of new models. The department works in close collaboration with the authorized Fiat repair shops.

The aim of training is to offer the best pre- and after-sales service to the customer at a time when competition is becoming increasingly strong.

A description of the activities of both departments is given below.

a. *The structure of FAMI*

FAMI was set up in 1991 and has a staff of 7 comprising:

- 1 director
- 1 programme and activities manager
- 2 secretaries
- 1 research and communications employee
- 1 manager of Fiat internal courses
- 1 manager of dealer network courses

The small number of staff employed by FAMI is attributable to the fact that the department commissions external consultancy companies and Fiat ISOVAR (the company that handles training for the entire trade group) to organize courses.

General description of the training service

FAMI courses cover:

- sales techniques,
- marketing,
- customer relations.

FAMI does not have a catalogue of courses but attempts to offer flexible training for specific tasks.

During the 3-year period 1993–1995 FAMI has organized a series of courses (sales academy) for all "dealer managers" or individuals performing similar duties.

The series comprises 5 days of courses in 1993, 5 days in 1994 and 6 days in 1995.

The training courses are structured sequentially in the sense that participants must pass a test at the end of the first 5 days in order to proceed to the next course. They are not structured as a sequence of separate seminars but as a course in career development.

The training course is divided into 4 units:

Unit 1: induction;
Unit 2: basic training;
Unit 3: knowledge consolidation;
Unit 4: advanced training.

See the description attached to the case study (diagram 1).

In addition to the "sales academy" courses, as from 1993 a series of courses for repair shop managers (after-sales academy) is planned which aims to provide non-technical knowledge on ways of contacting customers. Fiat wants at least one employee from each dealership/repair shop to attend.

The courses are held at FAMI premises and comprise:

- theoretical lessons in the classroom;
- simulation of real-life sales situations in a mock dealership;
- audio-visual and inter-active video;
- role playing;
- use of computer-based training and teaching software.

The course culminates in a test to assess the participants' knowledge.

The results of the final test are the basis for assessing suitability for other advanced courses. A certificate is issued which is recognized within the Fiat Group.

Only travel and subsistence expenses are borne by the dealer who sends his sales staff or employees on courses. The planning and course organization expenses are borne by Fiat Auto.

Trainee characteristics

Trainees in FAMI courses are made up of staff within the Fiat Group (some 1,700 dealers and 500 non-dealers within the European territory) and trainees belonging to the Fiat dealer network (20,000 in Europe, consisting of dealer ownerships, sales staff and repair shop managers). The

Fiat dealer network in Europe has some 4,600 sales units.

FAMI plays a fundamental role in reinforcing the partnership relationship between the manufacturer and the dealer through the area sales manager or area manager, who play an important role in consolidating Fiat's relationship with its distribution network.

On account of the on-going dialogue within the dealership network, they are in a position to understand training needs and communicate these to the training department.

Planning training activities
Courses are designed at macro level by a steering committee which is made up of:

- FAMI director
- Fiat Auto director
- Fiat Auto marketing director
- commercial director (overseas)
- Fiat Auto human resources director

The steering committee bases its decisions on a variety of information:

- strategic directives originating from the manufacturer;
- needs of the distribution network (as already underlined these emerge on account of the relationship based on partnership and dialogue between the manufacturer and the sales network);
- needs expressed by the customer himself in questionnaires sent to customers and used to highlight any shortcomings in the servicing system (customer satisfaction index).

The results of these questionnaires are also used to supervise the dealer network.

In the next unit, the steering committee submits its training requirements to the FAMI programme and activities manager who proceeds, along with his team, to plan and define the courses (content, duration, pre-requisites, teaching aids, etc.).

At this juncture trainers are chosen and they may come from the FAMI network company, they may be company experts or trainers from training institutes; the courses are held in FAMI.

It is crucial that FAMI, together with the steering committee, evaluates the course in the follow-up phase following completion.

Conclusions
Before FAMI was set up, training in sales and marketing (dealer network) was provided by ISOVAR and external training bodies.

The effort Fiat Auto has put into creating this department demonstrates its commitment to a marketing model for the Fiat company.

b. The Technical Training Centre (Fiat Auto After-sales Sector)

General
The role of the car repair mechanic has changed significantly over the past few years on account of the introduction of new construction technologies, the use of electronic components and sophisticated diagnostic equipment for fault identification.

On this account the Fiat Technical Training Centre has changed in two ways:

- training has been reinforced by continual updating of the range of courses offered to the authorized repair shop network;

- at the same time, increasingly sophisticated diagnostic equipment has been designed and introduced for use in both the production department and authorized repair shops for fault diagnosis and repair.

During the interview, another area of activity emerged for the Fiat Technical Training Centre: that of satisfying shortcomings in training at national and regional level (vocational training schools and technical institutes) as these courses in the centres are based on use of obsolete equipment and out-dated training programmes as opposed to current requirements for technical evolution in the sector.

Structure of the Technical Training Centre
The centre is located in Turin and carries out the following training activities:

- the planning of training;
- designing and organizing teaching materials;
- designing and developing diagnostic instruments;
- the distribution of courses for Fiat trainers.

After the trainers have been trained, the majority of the courses are distributed through a network covering the entire European territory and take place in traditional classrooms equipped with repair shops (see Figures 1 and 2).

There are some 70 trainers in Italy and 100 in Europe.

In specific cases, to resolve particular problems the trainer is sent directly to the repair shop and watched by staff (on-the-job training).

In estimating numbers trained annually it should be remembered that the number of authorized Fiat repair shops in Italy is approximately 8,000 with

an additional 8,000 elsewhere in Europe. Each repair shop has an average of 20 potential users.

Although contractually the repair shop is linked to the dealer and not directly to the manufacturer, the Fiat Technical Training Centre has established a direct relationship with the after-sales service without recourse to the dealer.

General description of the training service

The Technical Training Centre offers a range of courses which are continually updated.

In addition to basic courses there are courses to cover the launch of a new model or product.

Attendance at the latter is usually obligatory for at least one employee from a dealership/authorized repair shop.

The Turin training centre draws up a training plan based on the "new product" and targeted at the peripheral trainers.

Each area/territory sends a quarterly/half yearly programme to its network which includes the training initiatives dictated by the market's specific needs as well as new product courses.

In addition to technical training courses Fiat also offers a series of initiatives aimed at the employees in the service area in order to upgrade their skills:

- courses for repair shop managers;
- behaviourial courses for receptionists;
- basic courses in electrics and electronics for car electricians.

A great deal of attention is paid to the quality of teaching materials used in the courses:

- illustrated documentation on the topic;
- traditional documentation;
- computer-based training;
- video cassettes;
- slides;
- diagnostic simulators.

In conjunction with external suppliers it has become normal practice to build fault simulators identical to the electronic equipment.

When required, a kit is supplied containing assemblies and parts from new models directly from the factory.

The owner of the repair shop selects a course and plans the course attendance of his employees together with the after-sales manager for that area who, in turn, is in close contact with the Fiat Technical Training Centre.

Tests are given at the end of the courses and at the end of the year incentive bonuses, such as a trips, and a variety of awards, are given.

A certificate is awarded at the end of each course and this is recognized within the Fiat Group.

Only travel and subsistence expenses are borne by the dealer/repair shop sending the employee. Expenses for planning and organizing the courses are borne by Fiat After-sales.

The number of training course days offered to the network annually is approximately 10-12.

Planning training activities

The training activities manager and his group base their course design on the needs of the service networks and on product and model innovations.

The planning phase can be divided up as follows:

- definition of training modules (e.g. when a new model is launched the parts that will be used in training must be selected);
- for every module during the previous unit, the content, duration, objectives, teaching support, must be formulated;
- production of teaching materials;
- publicizing courses through the service network;
- training of trainers;
- dissemination of courses nationwide in the various training centres.

Conclusions

The interviewer was favourably impressed by the efforts of and results achieved by the after-sales sector in terms of planning and organizing diagnostic instruments (which are then used during the courses) based on technologies as well as sophisticated systems (e.g. expert systems), demonstrating the ability to follow the current evolutionary trend in the car repair sector.

4. Training policies adopted by the company

Training is considered vital if the company is to retain its position in the market and remain competitive with other companies in both sales and repair.

Company requirements dictate which employees attend courses and takes into account prior skills levels.

The interviewee considers that Fiat has always guaranteed excellent training services and feels no need to look elsewhere on the market for training provision.

In recent years there has been a distinct increase in special courses in vehicle marketing and after-sales.

Training is aimed at all the dealer's employees, whether they are technical, commercial or administrative.

Participation is mandatory but would seem essential for the company and the employee if work is to be carried out correctly.

Attendance of one or more courses does not automatically confer upon the employee career promotion. It is interesting from both the point of view of occupational induction and the active participation that the employee has shown in his work.

The attendance costs are borne by the dealer and the courses are held during normal working hours.

The Fiat training body is directly responsible for planning the training and the training offer is used as a reference for organizing employee participation.

The company does not have an internal department devoted to continuing vocational training issues nor to planning structured training activities. It interacts with the training services offered by the manufacturer.

Mr. Barbieri, director, is responsible for managing training.

It has not been possible to obtain accurate information on training costs for the dealer in the past 5 years but this would seem to be quite substantial.

5. Assessment of the training concept

It has not been possible to obtain completed questionnaires from the company.

The company stated that it is unable to provide this information as it has no records detailing the courses each employee has attended during the last 6 years. Moreover, staff turnover makes it impossible to retrieve the training records of each employee for that period. The company has sent employees from different departments on Fiat training courses which are relevant to their jobs. They have not used the services of external training bodies. This is not because of their contract with the providers of continuing training but as a result of company policy which considers that the training activities organized by Fiat meet their needs.

Generally speaking, the company did not seem willing to supply information relating to employees either at the interview in December or following the second request for questionnaires in February.

The company guarantees regular attendance for its employees on training courses planned and organized by bodies providing continuing training.

Courses are organized frequently and are of a high level, providing a structured system of continuing training. It is conceived ad hoc by the manufacturer for his network and answers both the needs of the sales network and the technical sections.

6. Conclusions regarding continuing vocational training

The internal training system organized by the manufacturer is the only training of which Bettonica and Gargan make use.

The Fiat continuing training system is an example of good practice in the training field because training activities:

- have a systematic and progressive character (not standardized but targeting paths of career progression);
- cover almost all the functions present in the car distributor with the exception of administration and human resource issues (there are training courses on sales, marketing, customer relations, technical courses, on the full range of possible needs with particular attention to technological innovation and electronics);
- guarantee paths of career development and skills upgrading not only for skilled employees but also for management and network management (car distributor management and repair shop foreman);
- pursue a high quality policy in customer relations and encompass after-sales service and behaviour training, both for sales employees and technical staff. Training aims to integrate the questions and needs of the customer;
- are interactive with the car distributor offering not only standard training paths but tailor-made courses to cater for specific needs;
- employ advanced equipment and technologies (CBT, educational software, audio-visual equipment, video disks, etc.) and makes use of modern and effective methodologies (role playing, situation simulation, etc.);
- provide systematic feedback.

The car distributor interviewed cooperates with the Fiat continuing training system and ensures that personnel attend the courses regularly.

The incomplete questionnaires do not permit us to make a precise check or an objective assessment of the extent to which this policy matches the real training needs of the company.

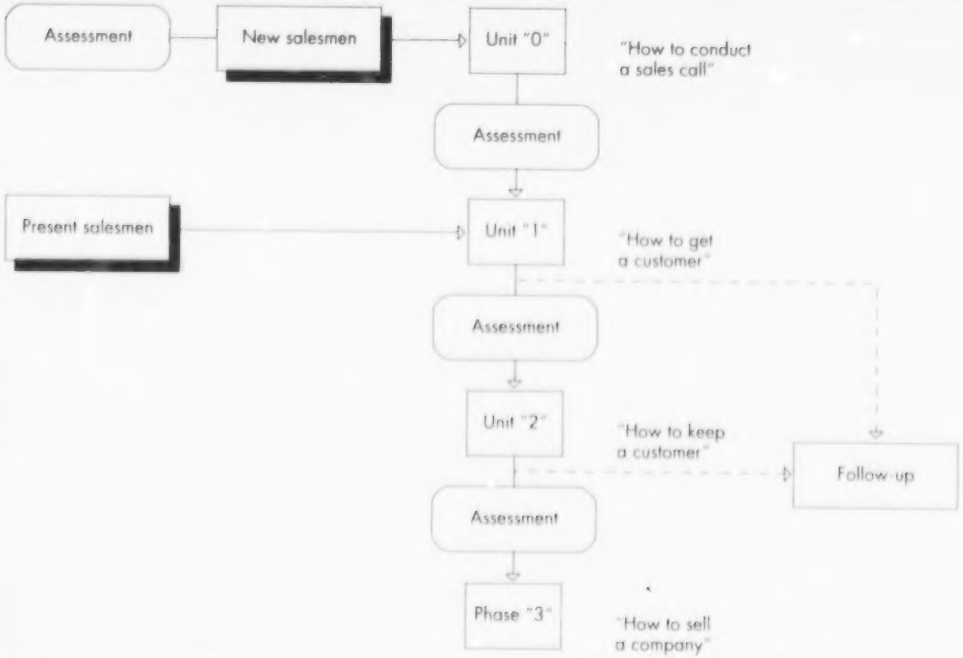
The case study carried out confirms that, in the absence of any alternative solution or structured continuing training system, the manufacturer is the only body to provide training and skills upgrading for the network.

The company commits itself to the manufacturer without formulating a career development plan for employees (it has no training budget and finances only staff subsistence allowances). The company has not reviewed other training offers on the market.

It can be said that the company considers continuing training to be a necessity because it is requested by the manufacturer (although there is no obligation) and because it assures competitiveness. Continuing training came to be regarded as a resource in the company's development strategy, as "added value" which calls for and merits sufficient investment and a sound corporate strategy.

Organizational Chart Bettonica & Gargan SRL

Training/advancement path of salesman



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PART 3:

CONCLUSIONS

1. State of the economy, employment and training
2. Standard and better practice (in relation to the case studies)
3. Problems
4. Current state of employment and future prospects: need for training and quality training
5. Open issues
6. Report on the meeting with the social partners

1. STATE OF THE ECONOMY, EMPLOYMENT AND TRAINING

In 1991 there was a gradual but obvious slump in economic activity, exacerbated in 1992 by additional factors such as inflation and the subsequent decrease in family purchasing power, a general increase in taxation, high interest rates and a loss of trust in the economic system which led to a postponement in investment and a reduction in disposable incomes.

Over recent months continued turbulence in exchange markets and the crisis of the lire has aggravated the situation and highlighted the serious nature of structural deficiencies in the national economy as well as public debt.

Today, remedies are being sought that would revive a stagnating economy and avert the risk of inflation but which would, at the same, safeguard employment where estimates put some 400,000 jobs at risk. The government will probably try and employ a new method to balance payments (balance of payments at the end of 1992 showed a deficit of more than lire 32,000 billion).

All of these factors, together with current trends in the national motor vehicle industry to relocate to the south, to new ultra-modern highly automated factories (with the subsequent need for rationalization in the sector and the component industry in the north), could lead to pessimistic prospects for employment in the motor vehicle industry.

In spite of this, however, there is reason to believe that in Italy the future of the motor vehicle industry could experience a period of relative market stability and stable employment, if not in the production sector at least in sales and service.

This idea is supported by the following assessments:

a. In Italy vehicles on the road have an average life of approximately 14 years, which is significantly higher than in other European countries.

   Of all the vehicles registered at the end of 1991, 33% were more than 10 years old while 14% were more than 13 years old.

   Following the introduction of a new highway code which envisages MOT tests 4 years after initial registration and then every 2 years, many vehicles will be withdrawn as they no longer satisfy safety regulations.

   ANFIA assumes that this, together with the effect of catalytic converters, may create demand for some 150,000 – 200,000 new vehicles this decade (from "Motor vehicle figures 1992").

b. Liberalization in Eastern Europe has widened the car market in Europe significantly, particularly for neighbouring countries (Germany) but obviously for the Italian market as well.

c. At European level, an increase is envisaged in the number of vehicles per capita from the current figure of less than 400 vehicles per 1,000 inhabitants to 430–450 per 1,000 inhabitants in Western Europe, which signifies an additional demand of 15 million new vehicles per year. In Italy the number of vehicles per capita is approximately 450 per 1,000 inhabitants, thus the latter effect will have little direct significance for the internal market although it would be relevant for the wider European market.

d. Fiat has announced an investment programme for the period 1992–1996 of lire 47,000 million (27,000 million of this for the car sector) to maximize levels of efficiency, to achieve higher levels of innovation and greater product quality and to introduce 18 new models with the opening of the new, modern factory at Lucano.

Finally, with regard to training, Italy is in a totally different situation compared to the rest of Europe as it has no continuing vocational training system.
This would seem particularly disquieting today as forecasts indicate that in the near future there will be a continued decrease in the number of young people entering the labour market resulting in an overall increase in the average age of the workforce.
As human resources already present in companies are the real human capital to be valued and qualified, good and comprehensive continuing training will become – and in many ways has already become – crucial.

In the specific sector under review it should be stressed that continuing trends in construction technologies and the increasingly widespread use of electronic components provokes training needs for a mechanic whose job profile is becoming increasingly less that of a traditional mechanic/repair mechanic and more that of a specialist in the use of sophisticated diagnostic equipment for fault finding.

In the course of research, the distinct lack of initial vocational training to produce occupational profiles capable of responding to these needs (obsolete training programmes which have not kept pace with the rapid evolution in the sector, a lack of adequate equipment) was noted as were the constraints and typical lack of training in the state system.

This gap is covered in part by courses provided by the manufacturer and to a lesser degree, by courses organized by the associations in the various sectors.

Vocational training currently offered by companies contacted is of average standard and closer to examples of better practice.

As can be seen from the case studies, training is provided almost exclusively by the manufacturer or its Italian branch, in the case of a foreign manufacturer.

It should be stressed, as a positive element of training in recent years, that the training structure, in addition to the traditional technical topics, has developed other subjects considered to be of particular use for overall company management.

Such topics are inherent to company management, planning, marketing and telemarketing, computing and its use in the company context, customer relations, behaviour course, and problem solving (these last topics are becoming increasingly relevant in view of the changing relationship with the customer which is no longer limited to sales but to creating a trusting relationship between customer and dealer).

Work organization

Work organization, depending on the size of the company, is moving in the direction of integrating knowledge and tasks.

The new car product requires less maintenance and less traditional type repair work, the components last longer and are more likely to be replaced than repaired. This is true both for the mechanics section and for bodywork. Electronics has also become a fundamental part of the car.

Many traditional specializations (carburettor, cooling system, bodywork and, to some extent, electrics) are progressively losing significance while a new job profile is emerging in the repair shop, encompassing a larger variety of skills not based on traditional mechanical knowledge but on electronic-type skills.

It is possible to talk of "mechatronics" as in the case of the metal processing – mechanics industry, bearing in mind the obvious differences.

Although irreplaceable specializations exist (e.g. bodywork) there is a tendency to widen and integrate the employee's knowledge to include diagnostic skills with sophisticated equipment and skills connected to replacing both mechanical and electronic components.

A trend towards specialization is inevitable in some sections in the larger repair shops and dealerships, particularly for tasks in the commercial sector, sales, customer relations, as well as in administration and management.

Customer relations is normally handled only by suitably qualified employees in order to avoid work interruption and to allow these employees to acquire the necessary behaviourial skills which are considered crucial.

Generally the "quality philosophy" would seem to be of more importance than in the past and this is relevant to all types of behaviour, not only in sales and customer service but also in the repair shop.

Relations between manufacturer and repair shop/dealer

Manufacturer and dealer collaborate closely.

The manufacturer is responsible for product publicity campaigns and managing commercial policy through promotional offers, discounts, incentive bonuses and increasingly convincing quality guarantees.

The manufacturer informs the dealer of the innovations introduced and provides training and updating for employees. The manufacturer collates the training needs and provides solutions.

If the manufacturer has a good commercial policy, the dealer usually follows suit.

The relationship between the repair shop and the dealer is usually characterized by a high level of trust and collaboration.

The dealer is the repair shop's source of income.

The car repair mechanic must guarantee high-quality and efficient service to the dealer's customers.

Customer relations

Customer relations are of great importance when it comes to interpreting commercial trends and the dealer's organizational model.

Today, there is a tendency to regard the customer no longer as someone who avails himself of sporadic service (the purchase of a car) but as an individual to whom a complete range of services must be guaranteed (computing, sales, servicing, personalized solution of complex problems connected to sales, service and consultancy, with regard as to how the vehicle functions and the future requirements of the vehicle over a long period of time).

There is a need to establish a sound relationship based on trust and, to achieve this, high-quality service must be guaranteed to back-up the technical skills of the employees and to promulgate a company philosophy which sees the customer as the real added value and the sale as an event which naturally follows on from a trusting relationship which has been built up.

Control or freedom of training

At present, there is no legislation making provision for continuing training.

The system of national regulation for training (Law 845), which requires reform, would seem obsolete and there is a growing need for specific laws for continuing training which take into account the changing trends in the workforce mentioned previously.

3.

Employment practice
In the companies contacted, almost all of which were family-run, the method used to recruit personnel is still the traditional interview between the owner or administrator (where dealing with a large company) and the applicant to assess the applicant's abilities and the degree to which they satisfy the company's needs.

Particular academic qualifications are of little relevance.

Such a recruitment policy would seem destined to change with the increasing importance of electronics, computing and automation in the motor vehicle and motor vehicle component fields.

This will lead to a preference for applicants holding some form of academic and/or occupational qualification or having some basic knowledge in this area. Today, the main requirement for employment is work experience.

For employees working in the car repair sector the national collective work contract for metal processing/mechanical workers is applicable. Some dealers apply this contract to their employees in the repair shops although they normally apply the collective contract for the commercial sector.

The employment of young people is encouraged by certain types of contract such as apprenticeships and work and training contracts. Their aim is to train young people without any occupational qualifications while reducing, for a limited period, costs to the company.

Contrasts/contradictions between the social groups
No particular contrasts have been noted between the social organizations although it is obvious that each represent and protect interests which, at times, may conflict.

The role of the social partners may be particularly relevant when it comes to increasing awareness of continuing training topics and when trying to identify ways to make provision for this.

Both the last contract for the tertiary and services sector and a recent inter-confederation agreement for the crafts tradesman sector and the experience of bilateral bodies indicate development of an interesting form of collaboration between the social partners in spite of their various roles. It is aimed at overcoming the training lag and at experimenting with jointly formulated initiatives.

Working hours
The contract stipulates 40 working hours per week.

Needs, demands, requirements of the employer and the worker
Today's employers seem unwilling to make new investments and are anxious to reduce company costs without compromising efficiency and to optimise the economic structure and human resources in the company.

There is general complaint about excessive bureaucracy and taxation pressure.

With regard to training, interviewees showed a generally good level of understanding and seemed to have grasped the importance of continuing training.

However, they continue to complain about high costs, the absence of relevant legislation and the difficulties training poses for small companies in view of the rigidity of training (time, space, place) compared to the company's needs and work rhythm.

Employees expressed a desire for vocational training. They would like to see it in a more consistent form and, if possible, on the work premises.

Training is often seen as essential to safeguard a job and to progress in a career.

Economic problems
Economic problems are linked to the current economic crisis, to increased management costs, to increasing taxation pressure and to the high interest rates which hamper investment even when market conditions are favourable.

Problems with the six dimensions of social dialogue
Today, a good practical knowledge of continuing training is considered indispensable.

Despite this, a clear training strategy for each employee would seem to be rare in companies and often it is difficult to identify, even in larger companies, budgetary provisions and a training plan.

Concomitant with increasing understanding and improving continuing training practice, there are still organizational-type delays which are difficult to ignore in view of the national context and the lack of sufficient legal provision.

Training is aimed at all employees, technical, commercial and sales staff.

As tradition dictates, the most common form of training is of the technical type but behaviour training is becoming increasingly important as is, to a lesser extent, company management training.

Participation in courses is voluntary and encouraged for career promotion.

Planning of training activities is the prerogative of the manufacturer, who offers a wide range of high-quality training and the dealer is linked to this offer in order to identify training needs.

In certain instances the company looks to the free market to supplement training provision for employees.

The situation of the independent repair shops, which may not make use of the continuing training activities offered by the manufacturer, is more complex and difficult. Given the current situation in Italy there is no structured continuing vocational training system to cater for their needs.

The social partners have shown considerable understanding of the situation and various experiments are in progress in order to set up innovative courses for training and to accelerate national provision in this area.

It is difficult to assess the costs of continuing training as, in the repair shops, this activity is still unplanned and sporadic while dealers seem to have no suitable cost-estimating and planning policy.

4. CURRENT STATE OF EMPLOYMENT AND FUTURE PROSPECTS: NEED FOR TRAINING AND QUALITY TRAINING

In all probability the employment market in this sector will undergo modification following enactment of Law 122 which will lead to the elimination of smaller companies unable to satisfy the new requirements and, at the same time, the expansion of larger companies.

We have already noted the growing need for vocational training. Together with the traditional demand for technical training there is an increasing demand for training in management (company management, cost analysis, investment planning on the basis of demand, types of markets, etc.) and for behaviourial type courses.

The current quality of training would seem to be high although there is room for improvement. Continuing vocational training must be absorbed into the company philosophy not just as a working tool with normal management costs but as an indispensable resource for the development of the company itself.

In the motor vehicle repair sector, bearing in mind that vehicle MOTs are soon to passed on to the repair shops, training must guarantee that employees are suitably qualified. It will be their task to guarantee vehicle safety. It is evident that quality training will become increasingly sought after.

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5. OPEN ISSUES

There is a lack of a continuing training system in Italy. Only introduction of relevant legislation, already enforced in other countries, and a system which supports companies (particularly for small and medium-sized enterprises) will enable this to be overcome.

This would provide an important stimulus for the training market with a subsequent increase in the quality of training offered.

The need for reform in the secondary school system and a link between vocational training during the transitional phase between school and work, to guarantee a better basic knowledge of technical subjects and electronics, is evident.

There is a need to encourage trends in the offer of continuing training. This is currently the domain of the manufacturers. Trends in training must be consistent with trends in the sector, both in the technical field (diagnostics, electronics, safety, eco-compatibility, etc.) and in company management and in the management control sector, new marketing techniques and new consumer relation concepts.

The need to identify more flexible and less restrictive training methods and procedures in terms of times and locations for small companies is an important factor. Alternance training, self-training, open and distance training, and the use of multi-media technologies could offer training possibilities which are more flexible and which encourage participation.

Finally, a social problem related to enactment of Law 122 could imply, in the near future, significant changes in the sector on account of the disappearance of many small companies unable to adapt to new legislation and could thus provoke unemployment.

Training and vocational re-training would seem to be an important strategy to guarantee employment and to save jobs.

6. REPORT ON THE MEETING WITH THE SOCIAL PARTNERS

As the social partners were available to cooperate in this study, two meetings were held and additional contacts were made by telephone and fax.

First meeting

The first meeting on 5 February, 1993, in Rome at ISFOL was attended by UILM-UIL, FILCAMS-CGIL, FISASCAT-CISL, Confartigianato, CNA (National Handicrafts Confederation) and its national training body, ECIPA-CNA.

The main employer associations also participated: Federaicpa (Confederation of Car Dealers) and UNRAE.

In the course of the meeting the final report of the first draft was assessed and several issues raised: the need to provide more up-to-date information, to interpret data in more detail, to expand upon the issues concerning the social dialogue, to introduce more specific proposals for continuing training.

The social partners who participated and who had been consulted previously but had made no detailed contribution, favoured greater involvement and more practical cooperation.

The meeting concluded with the agreement that all participants would be consulted separately by CSEA. No further meeting was planned.

Second meeting

After sending material and documentation, some of the social partners concerned were consulted on 22 February, 1993, at their head office.

One representative of the trade unions and one representative of the sector associations were interviewed. Other partners were consulted by telephone.

Representatives of the social partners provided the necessary data to complete the final report and to help interpret data and sectoral trends.

Following further consultations with the representatives on 22 February, 1993, the chairman drew up the final report.

This report has been adopted by the social partners, at least those who were present and took part in its preparation.

In general, employers have pointed to the absence of legislation that supports continuing training, the high cost of training courses, insufficient opportunities, rigidity in time, space and place of training in relation to technical requirements and work rhythms.

These difficulties, together with a growing awareness of the central importance of continuing training, are stressed particularly by independent repair shops as dealers and authorized companies can rely on the services of the parent company or manufacturer.

Workers and trade union associations also pointed to the absence of legislation and lack of economic support for continuing training.

They complained about the low level of training in independent repair shops although national negotiations among the social partners allow them to take part in preparing vocational training programmes in parent companies (which dealers and authorized companies may take advantage of) and to assess the findings.

In certain instances experiments are being carried out to improve the training offer and the quality of training as well as to increase the number of employees who participate in training courses.

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